

Keller Williams

Domestic and International Challenges in a Evolving Modern Real Estate Market

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Global Business Challenges

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Executive Summary

“Keller Williams, the world’s largest real estate technology franchise by agent count and the U.S. leader in units and sales volume, has more agent teams ranked by closed transactions and sales volume than any other individual brand in the 2019 REAL Trends’ ‘The Thousand,’ an annual list of the most successful real estate professionals in U.S.” (Outfront 1). Keller Williams rapidly expanded across the United States throughout the 80’s, 90’s, and 00’s. Franchising their agent centered philosophy, they quickly changed the culture of the real estate industry in America. Drawing top producing agents from other well established brands they steadily have become the number one real estate brand in the country. The company spread throughout the entire US, expanding internationally to Canada in 1998, and globally in 2010 (Keller Williams 1 & Hunt). While still wildly successful, Keller Williams faces ever increasing competition from new startups and companies backed by multi-million dollar investment firms. These real estate firms are offering new technologies and appealing packages in an effort lure away top talent. The majority of Keller Williams income is generated in the United States and the US market is a driving force for their success in expansion around the world. This report will analyze the risks Keller Williams faces in the US and internationality as their competition seeks enter the international market. It will explore some of the strengths, weaknesses, opportunities, and threats faced by Keller Williams in this ever changing modern era while also offering some conclusions as to how they can continue to dominate the real estate industry in the United States while growing internationally.

Introduction

Keller Williams is an international real estate franchise company based in Austin, Texas (Keller Williams 1). Founded in 1983 by Gary Keller and Joe Williams, Keller Williams had become the largest single real estate office in Austin, Texas within the first two years (Keller Williams 1). According to the history of Keller Williams, following the success in Austin, TX a crash in the market caused half of the top producing agents to leave the company. The crash was a catalyst to restructure and develop an agent philosophy based and focused on business. The new model included, the best possible commission structure, treating agents as business partners, to offer profit sharing with the agents that help grow the company, to give full access to financial information, formalize input on how the office should be run, have supportive management and staff that consults and promotes teamwork, and to have the highest level of training in the industry (Keller Williams 1). It was this model that carried them to success and in January 2018 Keller Williams, “announced its status as the number one real estate franchise in agent count, closed units, and closed sales volume in the United States” (Outfront 2).

Their agents in the United States totaled 158,679 in the third quarter of 2019 (Outfront 2). “As of Sept. 30, agents closed 859,140 transactions” (Outfront 2) and “closed \$265.6 billion in sales volume” (Outfront 2). Some of their recent awards include being ranked by Forbes number 8 out of 300 in July for being one of the “Best Employers for Women” (Outfront 2). Then in September, Forbes named Keller Williams number 173 of 250 as one of the “Best Employers for New Graduates” (Outfront 2). According to Keller Williams Headquarters website, they describe themselves as “a technology company that provides the real estate platform that our agents’ buyers and sellers prefer. Keller Williams thinks like a top producer, acts like a trainer-consultant, and focuses all its activities on service, productivity, and profitability” (Keller Williams 2)

International Expansion

In 1998, just seven years after franchising began, Keller Williams expanded outside of the US and into Canada (Keller Williams 1). Expansion continued domestically and in Canada until 2010 when they gained their first franchise in an overseas market (Hunt). Recently, in the third quarter of 2019, “Keller Williams expanded into Malaysia and Japan” (Outfront 2). “Outside of the U.S. and Canada, Keller Williams Worldwide regions include Argentina; Belgium; Belize; Bermuda; Cambodia; Chile; Colombia; Costa Rica; Czech Republic; Dubai, United Arab Emirates; France; Greater Shanghai, China; Greece; Indonesia; Ireland; Israel; Italy; Jamaica; Japan; Luxembourg; Malaysia; Mexico; Monaco; Morocco; Nicaragua; Northern Cyprus; Panama; Philippines; Poland; Portugal; Puerto Rico; Romania; Southern Africa; Southern Cyprus; Spain; Trinidad and Tobago; Turkey; United Kingdom; and Vietnam” and the franchise is now home to 9,021 international agents plus 3,610 in Canada, as of Sept. 30. (Outfront 2). In fiscal year 2019 “agents closed 23,027 transactions and \$3.4 billion in sales volume year to date” not including Canada (Outfront 2). With all the company’s accomplishments in only one

decade, Keller Williams still has vast potential to expand internationally. Thus allowing for the opportunity for explosive growth.

Real Estate in the United States

How real estate works varies from country to country, region to region, and state to state. Each country, state, or local government sets its own laws and standards to govern personal property and the transfer and sale of it. "Each state within the United States (and the District of Columbia) follows a mix of statutory and common law" (Rogers). "There are three levels of laws in the U.S.: federal; state; and local. Under common law, changes in law come by the way of case law and new legislation, each of which is given equal weight" (Rogers). Local law is superseded by state law and state law by federal law. The majority of regulation and authority is held by the state government. In the case of Tennessee, a regulatory body is then put in place to maintain day to day compliance and set rules to look after the public's best interest. "Created in 1951, The Tennessee Real Estate Commission licenses, registers and regulates real estate brokers and affiliate brokers, real estate firms, rental location agents, time-share salespersons and developments, vacation clubs and vacation lodging services. The Commission also enacts rules addressing professional conduct and standards of practice" (Tennessee Department of Commerce and Insurance)

Each real estate office or firm must be operated and overseen by a local licensed real estate broker. This broker oversees all activities of the affiliate broker and all transactions are processed through them. The majority of real estate agents in the United States are affiliate brokers working under a real estate broker. The typical commission to the agent is 2.5-3% of the sale price of the property. Affiliate brokers take anywhere from as low as 50-60% to as high as 100% of the commission depending on the commission percentage agreed upon with the broker. Lower commissions are typically given to new or training agents and higher commissions to top performers in their area. The standard rate for many affiliate brokers is an 80/20 split with their broker. Some firms including Keller Williams offer an annual cap, where once a predetermined amount is paid into the company you receive 100% commission. All Keller Williams' agents share the same commission split of 70/30 with a 6% franchise fee (up to \$3000) or a 64/30/6 split (Keller Williams 3).

Other fees for training, office space, paperwork processing, printing, signs, materials, marketing, technology programs, websites, and others may be charged monthly or per transaction. "The average Monthly Fees paid by KW agents to their office ranges from \$37-\$125 per month depending upon the location of the office and the economic environment that the office is working in" (Earl).

Historically franchising has been the means by which companies such as Keller Williams have expanded with one or even multiple franchises in each market or city. These franchises pay a portion or fee of each transaction to Keller Williams for the use of their name and materials. However, this is a trend that is changing with new star ups.

Strengths

a. Name and Recognition

“Austin, Texas-based Keller Williams, the world’s largest real estate technology franchise” (Keller Williams 4). Keller Williams is present across the entire United States and ever expanding around the world. The brand and image of the company are recognized by many, giving them an advantage compared to other global companies. According to Branding Strategy Insider, “American brands are still thought of favorably.” Also, “as companies get more powerful, their country of origin is harder to identify” (Wren). This is a great opportunity to Keller Williams to become part of the local culture and identify with the local population. This could also help the company continue to expand amid unfavorable opinions of American policies or actions worldwide.

b. Agents and Offices

Many companies consider their strength to be their employees and Keller Williams, “by agent count, has more than 1,030 offices and 181,000 associates” (Keller Williams 4). This makes them “the world’s largest real estate technology franchise by agent count” (Outfront 1). Having this much talent and power provides a strategic advantage compared to the competition and future startups.

With 1,030 offices in markets from coast to coast and around the world there is a high probability of a location close to a majority of the population in the places that they operate.

c. Capital

While the company does not report net income it does report sales volume. In North America, “agents closed \$265.6 billion in sales volume, up 3.5% over the first three quarters of FY ’18” and internationally, “agents closed \$1.2 billion in sales volume, up 9.0% over the previous period” (Outfront 2). This gives some ideas to the amount of capital at Keller Williams’ disposal.

d. Training and Technology

Training is a core focus and has been since their reinvented business model. Almost every review of the company from past to present agents praises their commitment to offering training as a company. This is truly an area where they thrive.

Keller Williams markets themselves as a technology franchise. They truly embrace technology as the future of the real estate industry. With their philosophy of putting

agents first, they are constantly innovating and releasing new products to make the agents job easier.

Weaknesses

a. Commission Splits, Fees, and Profit Sharing

Compared to the new startups, Keller Williams resembles the antiquated companies that they once reinvented. What was once “the best possible commission structure” is now standard or substandard (Keller Williams 1). Also, while they do have profit sharing, it is not on par to the system put in place by their competitor eXp who offers revenue-sharing from seven levels and stock options (Frederick).

b. Falling Behind the Cutting Edge

Keller Williams is always investing in new technologies and systems. However, they seem to be sticking to the same system of franchises and brick and mortar facilities. The same system of brokers and top down thinking. Gene Frederick explores this deeply in his Youtube video, eXp Realty Explained with Gene Frederick. New startups are not only thinking out of the box and reinventing technologies and software but some are reinventing how the entire system of agents is built. Some companies such as Compass haven't created any groundbreaking technology but they have surpassed Keller Williams at marketing and commission structures. These companies are attracting agents from all over at a record pace, including some of Keller Williams' top performers.

Opportunities

a. International Expansion Opportunities

While Keller Williams has not completely saturated the US market, they have covered the vast majority of population centers. This leaves the international markets as a huge opportunity for the company. Comparing the US and Canada to the rest of the world in agent count and sales volume it is clear that the opportunity for growth is there. They are currently in over 200 international market centers across 39 regions and there is still plenty of room to grow (Rabary).

Agent Count:

US & Canada: 162,289 vs. International: 9,021

As of Sept. 30 2019 (Outfront 2)

Sales Volume:

US & Canada: \$265.6 billion vs. International: \$1.2 billion

Over the first three quarters of FY '18 (Outfront 2)

Population:

US & Canada: 368,744,805 vs. International excluding US & Canada: Around 7.4 billion (Worldometer 1 & Worldometer 2)

b. International Markets and Growing Economy

According to Terry Jones at Investor's Business Daily, "The U.S. stock market has been on fire this year." Although the US has outpaced international markets they both have increased in shares. "In 2019 alone, as of December 27, U.S. shares rose 29% vs. 19% for the rest of the world" (Jones). "We are expecting somewhat better growth overseas during 2020 than in 2019," said economist and market strategist Ed Yardeni, founder of Yardeni Research" (Jones). Even emerging markets have a positive forecast as "other analysts also expect better things from emerging markets, particularly Asia, in the future" (Jones).

Unemployment and interest rates are also at record lows helping to drive the economy. "The U.S. jobless rate dropped to 3.7 percent in September — the lowest since 1969" and that number is now even lower at 3.5% accord to the latest data from the US Government (Schneider & BLS). Business and home sales are benefitting as the Fed and "big central banks are cutting, not raising, rates" (Jones). "Interest rates continue to drive the market — the currently friendly rates are keeping demand high" (Erickson).

Another example of the growing economy in the US and globally, is the increase in spending and investments in real estate in the D.C. market. A "significant amount of foreign capital is coming into the market" Canadians, Europeans, and Middle-Eastern investors have all been "bringing a fair bit of equity and paying in the top 10% in terms of pricing for these properties" (Banister). In Roanoke, Virginia, "real estate has increased 4.74%, the largest increase since 2007" (Graham).

A strong growing economy is good for the housing markets, giving people the disposable income to move up in house or make investments in vacation homes and rental properties. 75% of agents surveyed said they felt optimistic about the market in 2020 and 90% said that prices would stay the same or even rise in the first half of 2020 (Erickson).

Threats

a. Start Ups and Investment Firm Backed Companies

Numerous tech startups have entered the real estate market competing against legacy companies such as Keller Williams. These companies such as eXp have been called the Uber, Netflix, and Amazon of the real estate industry because their innovations and technology will be so disruptive to the market (Bijl, Frederick, & Kallergis). eXp "is the largest residential real estate brokerage by geography in North America. It is one of the

fastest growing real estate brokerage firms in North America with more than 24,000 agents across 50 U.S. states, the District of Columbia, six Canadian provinces and the United Kingdom”, it is also expanding into Australia (eXp World Holdings). “The virtual brokerage, founded in 2009, offers high splits, revenue-sharing and company stock options. During the second quarter of 2019, eXp reported a ‘record’ \$266.7 million in revenue, up 104 percent year over year” (Kallergis).

In Gene Fredericks video about eXp he says “if you knew Netflix existed would you own Blockbuster?”. Gene was one of the 32 regional owners of Keller Williams regions. He owned the Northern California and Hawaii regions which included six offices, the Carmel office where Pebble Beach is located, the Cupertino office where Apple is, the Palo Alto office where Stanford University is, as well as three others. He was making enough passive income from those offices and regions that he did not have to work and lived very comfortably. Once he discovered eXp he sold all of the offices and regions and joined the company; who, at the time, had around 400 agents. During the time of the videos recording, eXp had grown to around 4,000 agents and Gene was making over \$800,000 a year in passive income. David Kurz merged his South Florida brokerage with eXp bringing nearly 200 agents to the company (Kallergis). Another firm in Birmingham, Alabama that just recently moved to eXp said that it had doubled in size in the last two months and that it was ahead of pace to acquire more than a quarter of the residential market share in the Birmingham area by 2025 (Bijl).

“New firms are entering the market, seizing business from legacy agencies” (Sarnoff). Compass recruited Jo Anne Johnson and her team from Keller Williams Realty (Bookout). Jo Anne and her team have consistently ranked as a Top 25 residential real estate team by volume and the Top 3 in her Market Center at Keller Williams (Bookout). Rebecca San Juan said that, “the world is changing and Compass is leading that change”. Compass operates in more than 100 cities and bills itself as a “real estate technology company,” and “is building the first modern real estate platform, pairing the industry’s top talent with technology to make the search-and-sell experience intelligent and seamless” (Sarnoff & Bang Staff and Correspondents). Compass was the largest residential real estate brokerage and number one in market share in the San Francisco Bay Area with two years (Bang Staff and Correspondents). When entering the Houston market they bought out several of the top ranked and producing offices (Bookout).

One last example is Redfin. They offer new strategies and technologies to the home buying world. One of Redfin’s notable changes is the reduction in fees to the seller. Instead of the typical 2.5-3% fee charged in most area to list a house, they offer full real estate services for 1%. This puts thousands of dollars back in the homeowners pocket when they sell their house. The Seattle-based company, was the top selling brokerage in 2019 for the largest 20 communities just outside of Boston for the second year in a row (Grillo). Their office in the Boston suburb of Canton was No. 1 with \$96 million in sales, knocking off Keller Williams Realty Boston Northwest in the suburb of Concord from the top spot (Grillo).

b. iBuyers

One of the largest changes happening to the home buying and selling process is the iBuyer programs. “Pioneered by Opendoor, iBuyers purchase your house for an algorithmically determined “fair market price”” (Andrews). With their success others have entered the market to compete including Zillow, Redfin, eXp, and even Keller Williams. iBuying allows you to sell your house on your terms. The convince comes in that you do not have to show your house to person after person, clean, or do any repairs. You choose the move in, move out, and closing dates and there is no negotiating or backing out by the other side. The iBuying process is initiated online and within 24-48 hours a representative inspects your home and makes an offer. Once you move out the company makes necessary repairs and places the house back on the market (Andrews & Coastal). “The price of this convenience is a slightly higher transaction fee—roughly 7.5 percent, depending on the iBuyer, compared to 6 percent for a traditional broker—and it’s possible you’d get less for the house than you would if you sold it on the open market” (Andrews).

The buying process has been reinvented as well. Companies list all of their local listings on an app, you can then “use the app to go to each available house and unlock the front door, allowing you to tour the house at your own pace and on your own schedule. The houses are “open” from 6:00 AM to 9:00 PM daily” (Coastal).

Zillow has been the most aggressive in the new segment and co-founder Rich Barton is “betting the future of the \$8 billion company on instant home-buying” (Solomont). They have an “ambitious projection of \$20 billion in revenue in three to five years on home sales alone” (Levy 2). By selling 1,211 homes and purchasing 2,291 homes they brought in \$384.6 million in revenue, 51.6% of the company’s total revenue of \$745 million for the third quarter (Levy 2). Zillow said that more than 80,000 people requested an offer during the quarter and that 40% of sellers request an offer before listing their home (Solomont). “More than 25% of real estate agents surveyed said they felt iBuying would be the next big tech trend in 2020, and 17.8% of agents surveyed are presenting iBuyer cash offers during their listing appointments. But 98% of agents said that when they present those offers they’re rarely or never accepted” (Erickson).

“In 18 markets where iBuyers are the most active, they made up 3.1 percent of homes sold in the quarter, up from 1.6 percent the prior year” (Levy 1). Today the realtor’s role has changed from gatekeeper to a trusted adviser who can guide buyers and sellers through the massive amount of information that’s now on the internet (Andrews). “There’s little chance this process will be the same in 2030 as it is today. Venture capital funding has poured into the real estate technology space hoping to solve the seemingly endless pain points in the process of buying and selling homes, and that funding has launched numerous startups” (Andrews).

c. Laws and Regulations

Laws and regulations have the potential to drastically change the market. As Keller Williams expands to more markets the risk of regulations negatively impacting their business increases. In the United States, there are 50 different states and the federal government all with different laws that must be followed. In each international country, state, province, and city is the potential for laws affecting how you operate and the profitability of the business.

One example of policy affecting the sale of homes is in China. According to Pearl Liu, the National Bureau of Statistics in China, said that new home sales across China grew by 0.3% in November compared to one month earlier. This is the smallest gain in two years. With this decrease fewer cities reported price increases with the stricter policies. Developers in China are looking to smaller cities for cheaper land. This is do to out skyrocketing land prices and “by tightening financing and stricter industry regulations for much of 2019 to rein in runaway property prices in some top-tier cities” (Liu). These regulations and policy changes caused the top 100 developers in China to report drastically lower sales compared to previous years. “Their sales grew by only 7.5 per cent in 2019, compared with 35 per cent in 2018 and 40 per cent in 2017” (Liu).

Another example is in California. While the real estate industry was able to lobby for their workers to be exempt from the new laws many others were not. AB 5 employment law is a requirement for most companies to reclassify contract and freelance workers as full-time employees. This makes them eligible for benefits, grants them greater protection under the states employment laws, and guarantees them a \$12–\$13 state minimum wage. This sounds like a great thing for the workers but they are already seeing a decline in business and income. “LaBrash, based in Los Angeles, suddenly found potential projects drying up when he submitted onboarding paperwork to potential clients and they discovered he lived in California” (Pofeldt). LaBrash states, “I’ve had them hire me and then come back and say they’re no longer interested” (Pofeldt). LaBrash continues saying, “He has seen a 40% decline in his freelance income since the law passed in September. ‘My savings are stagnant’”. (Pofeldt). Other states that tend to pass more liberal policies such as New York and New Jersey are already starting to work on their own versions. These types of laws mean well but can have negative consequences causing people to lose income and the housing market to suffer.

d. Political Issues and Market Downturns

There is always the risk of a recession or downturn in the market that could have a severe impact on the housing markets around the world. Elections, war, Brexit, unrest in Hong Kong, and trade disputes (such as the US and China) can all have impacts on the economy, businesses, jobs, and real estate markets. All these elements might be unavoidable but need to be taken into consideration. “Trade wars, global political uncertainty and anti-government protests are likely to continue weighing on investor

sentiment for much of 2020, said Wong Pak-ling, head of investment strategy and portfolio advisory at Citibank Hong Kong. A great deal of political risk remains in the markets” (Choi). He told investors that the trade disputes will be a long term issue and should be thought of as the new norm. The economy in China grew the at its slowest pace since 1992 in the third quarter of 2019. Citibank forecasts that China’s economic growth will slow further to 5.8% this year and 5.6% in 2021. (Choi). “JPMorgan Asset Management believes the US election and Brexit will also create uncertainty, making political issues front and centre for investors” (Choi).

World Economic Outlook: The Effect of Aging Populations and Low Productivity Growth in Advanced Economies

In the US the baby boomer generation is comprised of people born between the years of 1946 and 1964. During this time there was a population boom, one of the largest generations up to that time. This generation is now entering retirement age and this is great news for the real estate industry and Keller Williams. “As the heart of the baby boomer generation begins to hit retirement age, what boomers will do instead of work has the potential to transform multiple sectors of the real estate industry” (Rothstein). As they age they will be moving, moving into cities for better access to healthcare, moving to be closer to families, and moving to downsize into smaller homes. The influx of this generation moving into cities will help to drive growth. According to Rothstein, boomers control 70% of disposable income in the US. “The wealthiest will be important to track for real estate companies looking to be a landing spot for all that spending” (Rothstein). “Where are they retiring? Where are they spending their leisure time? Is it California, Florida or overseas?” (Rothstein).

When Keller Williams expanded to Japan they truly had the opportunity to change the lives of the aging population in that country. “Employees on the brink of retirement will reap the greatest rewards with the launch of KW Japan” (Rabary). Japan has the world’s highest life expectancy at 83 but they also have a mandatory retirement age. “Depending on the company, someone may be required to retire at 65-67, when they have nearly two decades of passionate living to do. There is a lot of context to change people’s lives here” (Rabary).

Tackling low productivity growth is a highly complex process with many variables. In a video by Harvard professor and former assistant secretary for economic policy and chief economist at the US Department of the Treasury Karen Dynan, she showed the many causes and effects of low productivity growth. Some of the causes of low productivity growth include larger budget deficits, lower wage growth, and lower interest rates. Lower wage growth leads to lower labor force participation which ultimately has a negative effect on the housing market. There also seems to be compounding issues as small negative changes in low productivity growth can have large effects in increasing the debt and deficits over time. Some of the items Dynan offered to help combat low productivity growth are fiscal incentives to work, pro-growth tax reform, and investments in education and infrastructure. She did admit however, that it is a very difficult goal to

achieve in practice (Dynam). While most of these items would have a negative impact on jobs and the housing markets one positive are the interest rates. In the short term the lower interest rates could offer a boost to the markets and help to increase home sales.

Solutions and Conclusions

Keller Williams made its success by reinventing how real estate worked. They set a new standard for how the industry should operate. The question now, is the company too big to change? Their greatest strength is their top position across the real estate industry, they have the reach, influence, people, resources, and capital to make things happen and to continue to influence the industry. These strengths can make an impact in solving some of the opportunities and threats that they face.

Their name holds weight as they move into new international markets. As stated previously, "as companies get more powerful, their country of origin is harder to identify" (Wren). Being one of the largest most recognizable names in the real estate industry can give them the ability to transcend negative political moves and be able to stand alone as their own image, unassociated with the negative political views. Their name along with the capital gives them an advantage when moving into new international markets. It also give them influence in working with governments to amend or pass favorable legislation for the real estate industry. Booming economies and surging markets are giving people and businesses the resources to make moves and invest in new opportunities. The aging population moving into smaller homes and rentals or investing in retirement goals, will also give a boost to the real estate markets. They are wise in using this momentum to rapidly expand internationally.

One of the greatest opportunities for Keller Williams is to address their commission splits, fees, and profit sharing. What was once revolutionary in the industry is now commonplace and uncompetitive. They should look to the new models such as eXp and others to see why agents are flocking to them in the 100's. Why receive 64% when you can have 80% with all the same technology and training? Dropping franchise fees, increasing commission splits to 80%, and allowing agents to buy into the company are all factors Keller Williams needs to review to become competitive. These are the items that will show that they once again put agents first.

iBuyers seem to be the next hot thing in the real estate market but only 25% of agents think it will become a major trend (Erickson). Some competitors such as Zillow are betting their entire company on the fact that the future is iBuyers. However, 98% of agents say that the offers are almost always rejected and they only made up 3.1% of homes sold in the last quarter (Erickson). Zillow recently revealed that it only makes 0.6% per house flip (Andrews). Venture capitalist are putting massive amounts of money into these companies and many wonder if the whole model is sustainable without the support. Keller Williams is taking a smart approach by entering the market slowly. They are taking a piece of the pie while not betting the company on it.

Keller Williams is always developing and refining new technologies, they are one of the leaders in this area. By continuing to compete with companies such as Compass, they have to ability to match or beat any system out there. Taking a fresh look at marketing and a new imagine could help them to seem more modern and on par with the sleek look that Compass and others provide. To fully compete with these new companies you have to ask, will they protect their current business model? Franchising seems to be a way of the past as new startups vie to change the market. Protecting small territories for the owners of local franchises limits the flexibility and growth opportunities of the agents. eXp truly has a unique and enticing model that is pulling agents away from their current companies at record paces.

In an article titled, "Underestimate Keller Williams at your own risk" Brad Inman tells how in 2005 Gary Keller saved the company by getting it financially ready for hard times. Two years before the US housing market collapsed, Gary Keller sent out an email to the company that said "storm clouds are coming" (Inman). He urged agents to prepare for a downturn and by implementing cost-cutting strategies Keller Williams emerged from the six year recession stronger than ever (Inman) They have been able to adapt and overcome numerous times throughout the years. If they can forecast and overcome one of the largest downturns in recent times they have the ability to acclimate to the future. When the company recently entered Japan Mark Yamamoto said, "Keller Williams is everything a company should be. The idea of shared goals and success isn't a concept; it's a reality. When I look around, I see people energized, empowered, and transformed" (Rabary). Modernizing their image, business structure, and agent compensation are the keys to staying relevant in the next generation of real estate and Keller Williams is the company that can make that happen.

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