



**Technological change and estate agents' practices in the changing nature of housing transactions**

Journal:	<i>Housing Studies</i>
Manuscript ID	CHOS-2017-0210.R2
Manuscript Type:	Original paper
Selected Keywords:	comparative housing, housing economics, housing market
Author-Supplied Keywords:	Cultural Economy, Estate Agents, Practices

SCHOLARONE™  
Manuscripts

**Abstract**

The construction of housing markets, mediated by estate agents, is changing. The 'information age' has witnessed widespread changes to personal intermediation across many business sectors (e.g. holiday sales and insurance brokerage), yet estate agents continue to be extensively involved. This paper asks whether the intermediation process has changed and why this is the case. Through a cultural economy investigation of the everyday practices of estate agents in New Zealand and England we identify how they have adapted, directed and responded to technological and social changes. In England, three service levels of agency arose with varying roles for technological information dissemination, the matching process and the formulization of prices. In New Zealand the hegemony of high quality service has resisted other mediation forms; retaining socially negotiated housing outcomes. Despite these differences, the unique facets of housing, its complex sale procedure and emotional transaction nature have hitherto enabled the adaptive capacity of estate agents to continue influencing housing market processes and rationalize their ongoing construction of housing transaction processes.

## Introduction

Housing transactions have followed a distinctive path when compared to other commodities. The prominent role of estate agents has continued in many locations despite the potential disruption of new intermediaries, such as online trading platforms and technological innovation. At a time when there is significant interest in the way in which outcomes in highly marketised housing systems contribute to inequality in many countries, this paper explains how and why estate agents have been able to continue to shape the operation of housing markets and therefore outcomes in two different international market contexts.

Housing, with its unusual commodity characteristics, is a well-recognized economic outlier. Dwelling attributes differ from those in most other transaction decisions with spatial fixity, product heterogeneity, cost and joint consumption and investment (in which the disentangling of discrete attributes is impossible) and the emotional significance all complicating characteristics (Maclennan, 1977; Marsh and Gibb, 2011; Van Ham, 2012; Smith and Munro, 2008; Levy, Murphy and Lee, 2008).

The operation of the housing market and the dwelling exchange process is facilitated by housing estate agents who support both buyers and vendors as they search for information, choose or market homes, and negotiate transactions (Palm, 1976, Maher, 1989). However, housing information is not transparent, with asymmetry occurring between agents and clients, whether buyers or vendors and influencing marketing methods and sales prices (Levitt and Syverson, 2008; Kurlat and Stroebel, 2015). This asymmetry has facilitated discrimination and segmentation based upon buyers' characteristics such as race (e.g. Galster, 1990) and sexuality (e.g. Ahmed et al., 2008). Accordingly, estate agents have historically played a crucial role in mediating material outcomes through leveraging buyers' and vendors' perceptions, using selective language (Pryce and Oates, 2008), restricting information (Haag et al., 2000) and pathos (Arndt et al., 2013).

New forms of technology and the expansive growth of the Internet raises the possibility of altering information asymmetry and questioning the role of estate agency practices in constructing the market and mediating housing outcome. A decade ago Myers and Crowston pertinently asked the question: *Will estate agents survive?* (Myers and Crowston, 2004). At the time significant changes in technology and in the relationship dynamics between buyers, vendors and market intermediaries provided the impetus for a range of hypothesized futures for the estate agency industry (e.g. Zumpano et al., 2003; Ford et al., 2005). Since this question was posed, the pace of technological change has increased and it has been repeatedly argued that the interaction between estate agents, homebuyers and vendors has changed, not least as households' search has become dominated by online activity (Dunning & Watkins, 2012; Dunning & Grayson, 2014). However, estate agents continue to be involved in transactions (Sawyer, Crowston and Wigand, 2014) giving rise to new questions: why and how have estate agencies been able to survive in the '*information age*'? This study seeks to answer this question through analysis of the everyday practices of estate agents in two countries.

We next explore the extant housing literature on technological changes and estate agency practices. Then we explain how a cultural economy theoretical lens can shed light on five

1  
2  
3 key stages of business practice, eliciting an understanding of everyday behaviours and their  
4 purpose in shaping housing market intermediation. The qualitative research method and  
5 choice of two case study countries are discussed before analysis of estate agency practices  
6 and housing attributes are explored as explanations of the continued role of estate agents in  
7 the housing market.  
8

### 9 10 **Literature review**

11 Estate agents' everyday practices are one of the forces that shape other actors (e.g. buyers  
12 and vendors) housing market performance. Their ability to direct and inform the housing  
13 market is situated within the wider social and historic context of changing technology and  
14 variation in the availability and use of market data (Smith et al, 2006) in what has been  
15 called the 'information age' (Castells, 1996). Technology has continued to provide new  
16 forms of information access and industries, such as estate agency businesses, have  
17 developed within this context.  
18

#### 19 20 *A short history of technology, estate agents and housing markets*

21 Risa Palm, writing in the 1970's identified the need to examine everyday practices in  
22 housing transactions in order to understand housing market processes and outcomes.  
23 Housing search processes and estate agent activity was characterised by highly  
24 disaggregated activity and concealed information, which meant that information acquisition  
25 was time consuming for homebuyers to collect and were therefore unlikely to "piece  
26 together even a reasonable approximation of the information on housing vacancies" (Palm,  
27 1976, p.39). This gave rise to theories of inefficient matching between buyers and available  
28 homes and informationally inefficient house price formation processes (Wheaton, 1990;  
29 Linneman, 1986).  
30  
31

32  
33 Throughout the late 1980s and 1990's housing research into estate agency practices  
34 developed, particularly in situating behavioural insights into the economic accounts of the  
35 market (Case and Shiller, 1988). As housing studies recognized the importance of  
36 information for the operation of housing markets, so technology was enabling estate agents  
37 to gather and analyse increasingly bigger datasets. By the mid-1990s studies showed that  
38 the availability of information in an increasingly competitive housing market was a driver for  
39 estate agency adaptation (Levy, 1995) as brokers with access to information about  
40 dwellings, markets and buyers were able to 'optimise' housing search (Baryla & Zumpano,  
41 1995). During this period, the rapid expansion in the availability of the Internet to housing  
42 searchers in the USA and the exponential growth in the number of real estate agency  
43 websites led Baen and Guttery (1997) to predict that "Overall service and face-to-face  
44 customer contact time required by agents for homebuyers and sellers, in order to complete  
45 a real estate transaction, will be reduced greatly." (1997, p.5), therefore predicting a large  
46 decrease in the number of housing estate agents.  
47  
48

49  
50 By the early 2000's homebuyers were frequently searching for housing opportunities and  
51 market information through the Internet, facilitated by the rapid expansion of estate agency  
52 websites (Rowley, 2005). Bristow et al (2004) demonstrated positive linkages between  
53 Internet-technology and estate agency business performance, supporting efficient market  
54 theories that prospective buyers would undertake more efficient searches; inspecting fewer  
55 dwellings that were more likely to meet their expectations (Zumpano, et al., 2003) and  
56  
57  
58  
59  
60

1  
2  
3 increase sale prices (Ford et al., 2005). However, these practices were contested; Palm and  
4 Danis (2002) found that homebuyers who used the Internet to search were likely to  
5 physically view more dwellings.  
6

7  
8 By the late 2000's online communication had evolved to include a wide range of social  
9 media channels and almost all homebuyers in England used a property portal such as  
10 Rightmove or Zoopla to begin searching (Rae, 2015). At this point the transition from Palm's  
11 (1976) description of direct reliance on estate agents for information about housing  
12 opportunities to aggregate Internet-based housing market intermediaries was clear.  
13

14  
15 However, housing markets have not witnessed the fundamental shift expected or  
16 experienced in other markets (e.g. travel). Whilst some earlier predictions have proved  
17 correct, such as Baen and Guttery's (1997) suggestion that databases would grow and  
18 become increasingly available to the public, other predictions about the overall  
19 restructuring of housing sales away from the real estate agency profession have not proved  
20 apposite. In the USA, for example, between 1995 and 2014 online housing search increased  
21 substantially while the number of estate agents increased (Sawyer, Crowston and Wigand,  
22 2014). Yet, despite the evidence of changes in the use of technology in housing transactions,  
23 little is known about why and how estate agents have been able to survive and how this  
24 relates to the nature of housing.  
25

#### 26 27 *A cultural economy approach*

28 This historic presentation of accounts of technological innovation and incorporation into  
29 everyday housing estate agency business practices may suggest a form of technological  
30 determinism, in which estate agents' practices are challenged by external technological  
31 disruptors. Pressure to change property professionals' practices is often conceptualized, in  
32 this vein, as a response to an external threat or opportunity (Gilgeous, 1997 cited in Rashid  
33 et al., 2004). Yet, deterministic explanations, for example those that assume that the  
34 implementation of information and communication technology will result in increased  
35 efficiency or productivity (e.g. Dixon, 2005), fail to explain the distinction between  
36 hegemony and diversity of everyday agents' practices and the role that they play in the  
37 production and performance of new technologies. Cultural economy theories suggest  
38 service businesses, in their pursuit of competitive advantage, pull together both economic  
39 and non-economic aspects (du Gay and Pryke, 2002). In this context, estate agents are  
40 conceived of as enacting housing market transactions and exhibiting agency in the  
41 development, absorption and application of new forms of technology, which in turn alter  
42 and mediate their impact upon market outcomes.  
43  
44  
45

46  
47 Smith et al (2006), building on both Callon's notion of performativity and Miller's ideas of  
48 the impracticality of distinguishing between behaviour and the *actual* economy, show that  
49 housing market professionals are able to construct the market in different ways and in so  
50 doing have the potential to alter the future arrangement of home buying activity. In an  
51 application of this approach, Munro and Smith (2008) developed Callon's ideas of markets  
52 as collective calculative devices in a case study of Edinburgh. They show that house prices  
53 cannot be explained by abstract economic forces, rather they are an expression of  
54 microstructural information flows and the emotional intelligence of actors mediated  
55 through social relationships. Some of the technological innovations that have been  
56  
57  
58  
59

1  
2  
3 suggested to challenge estate agents' business models act to decrease the social  
4 connections between actors in the transaction. For example, as buyers gather information  
5 online rather than in an agents' office the social connection between actors weakens. This  
6 could have profound impacts for the sociality of housing markets and alter the exchange  
7 and price formation processes.  
8

9  
10 Building on cultural economy theory and drawing on insights from Shiller's (2005)  
11 behavioural economics, Wallace's (2008) qualitative account of the housing market in York  
12 found that actors' theoretical assumptions reflected economic explanations of the market,  
13 but their behaviour was formed through social and intuitive reasoning. Agents discussed the  
14 'market' as a powerful force beyond their individual actions and those of others, yet the  
15 market was shown to be a product of their actions in the face of naïve provocateurs and  
16 exogenous disturbances to the normal business practices of agents (Wallace, 2008).  
17

18  
19 Technological development (such as mobile phones, Internet usage and databases) has  
20 occurred simultaneously in many national contexts, with the fluid and rapid translation of  
21 new informational and technological processes in one location to another (in line with  
22 Castells projections). These challenges to the housing market sector have historically been  
23 overlaid on different initial conditions and power-relations within the sector, so that  
24 alternative permutations of professionalization have emerged under different systems. The  
25 literature suggests that adaptability of the housing market profession in light of challenges  
26 appears to vary in different contexts. This may, at least in part, be due to differences in  
27 industry structure and in the nature and type of housing market practice conducted.  
28  
29

30  
31 Technologically deterministic explanations of the industry and housing market may not  
32 correspond to all estate agents' practices, and indeed in a complex field practices may not  
33 be homogeneous in terms of their impacts. Sajor (2005), using a cultural economy approach  
34 to the sociology of professions, considered the rapid change in the Philippines estate agency  
35 industry, arguing that professionalization occurred in a fragmented, heterogeneous and  
36 hybridized manner.  
37

38  
39 In line with wider pluralist perspectives and the cultural economy turn in housing research  
40 (e.g. Guy and Henneberry, 2002; Hickman et al., 2007), in order to build an accurate account  
41 of the structure and operation of the housing market an understanding of everyday  
42 behavioural practice is needed (Smith, 2011). This methodological approach, which seeks to  
43 understand the practices of estate agents in relation to changes in technology, affords the  
44 opportunity to understand why practices, and indeed estate agents, persist in the face of  
45 changes that challenge their business models and ways of working.  
46

#### 47 *Everyday housing estate agency practices*

48  
49 To scrutinize the impact of technology on housing estate agency business practice it is  
50 important to consider the totality of the transaction process and the role of the agent  
51 through the process, rather than focusing on a single stage (e.g. bidding or exchange) or  
52 single technology (e.g. property portals). Whilst technology and transaction processes may  
53 shift, these changes may not to happen in uniform or systematic ways across the range of  
54 estate agency practices because of the socially embedded nature of agents and institutional  
55 structures within which house sales are situated. Saber and Messinger (2010), in a US-based  
56  
57  
58  
59

1  
2  
3 study, found that where buyers and vendors focused on minimizing transaction costs (e.g.  
4 by advertising online) they were less likely to use an estate agent, but where they focused  
5 on the benefits of the services provided by the agent and the social embeddedness of a  
6 transaction they were more likely to use an estate agent, highlighting the potential for  
7 variation in technological challenge and adaptation across stages of the transaction process.  
8

9  
10 Whilst estate agents' activity may be complex and comprise a multitude of tasks that do not  
11 follow a clear sequential form, an abstracted, sequential segmentation provides a useful  
12 analytical framework through which to explore the construction of transaction and adaptive  
13 housing market behaviours. To this end, Crowston and Wigand (1999) identify five stages of  
14 activity: listing, searching, evaluation, negotiation and execution. Sunniika and Bragge  
15 (2006) insert 'prospecting for vendors' at the start of the sequence, highlighting the  
16 importance of dwellings as stock (inventory) to estate agency businesses.  
17

18  
19 We adapt and update this terminology: *prospecting*, *appraisal*, *advertising*, *facilitation*, and  
20 *closing*. *Prospecting* is the process of seeking vendors by advertising the services of the  
21 agency. *Appraisal* is the advice provided to a potential vendor about the projected  
22 possibility of a sale and its characteristics (e.g. probable time on market and price).  
23 *Advertising* is undertaken by an agent to make potential buyers aware of the housing  
24 opportunity. *Facilitation* is the matching process between buyers and housing opportunities  
25 and includes pre-offer communication with buyers and vendors. *Closing* is the process of  
26 moving potential buyer's interest in a specific dwelling through to completion of the sale. In  
27 the interviews estate agents confirmed that these five stages were appropriate for analyzing  
28 their business practices. We use this framework, consistent with a cultural economy  
29 worldview, as an analytical lens through which to interrogate and make sense of our  
30 qualitative data.  
31  
32

33  
34 This literature review shows that if housing markets operate in a similar fashion to other  
35 markets then technological intermediation should result in a concertinaing of search and a  
36 reduction in the personal interactions between housing market professionals and buyers  
37 and vendors. However, if housing has unique attributes, we might expect an alternative  
38 operation of the housing market. As such, in this paper we explore the everyday practices of  
39 housing market professionals in explaining their continued existence.  
40  
41

## 42 43 **Methods**

44 The empirical data collected in this project are largely qualitative. Interviews with twenty-  
45 nine experienced housing market professionals were conducted between April 2014 and  
46 April 2015 in England and New Zealand.  
47

48  
49 England and New Zealand are useful comparators for several reasons. First, the two  
50 countries have shared antecedents in their legal structures for home ownership, systems of  
51 planning for housing development, and professional structures with some shared  
52 international real estate professional affiliations such as the Royal Institution of Chartered  
53 Surveyors. Second, although the market size in each country is very different where, at 4.5  
54  
55  
56  
57  
58  
59



1  
2  
3 million people<sup>1</sup>, New Zealand has a much smaller population than England (at 53.9 million<sup>2</sup>),  
4 they do have similar proportions of effective demand for owner occupancy, with around  
5 65% of all households in each country in the tenure. Third, both countries are highly  
6 developed, have similar GDP's per capita and Gini coefficients (OECD, 2017). Fourth, they  
7 appear to share a proclivity towards Internet listing services. Fifth, and perhaps most  
8 importantly, despite the similarities, they have evolved dissimilar estate agency institutional  
9 norms and selling mechanisms.  
10

11  
12 The majority of residential sales in both countries involve the voluntary appointment by the  
13 vendor of estate agents to support the sales process. Vendors may negotiate the terms of  
14 the agency agreement including the method of sale, the timeframe it covers, the amount of  
15 commission to be paid and the payment of expenses. Agency fees are paid by the vendor in  
16 both countries whereby estate agents owe a fiduciary duty to the vendor only.  
17

18  
19 In England, estate agency work (defined by the *Estate Agents Act 1979*) is regulated by  
20 consumer protection law (*Unfair Trading Regulations 2008*), designed to prevent consumers  
21 from making a transaction decision that they would not have done without misleading  
22 information. The *Consumers, Estate Agents and Redress Act 2007* requires estate agencies  
23 to be members of an approved scheme to deal with complaints. Membership of  
24 professional bodies such as the *Royal Institution of Chartered Surveyors* and the *National*  
25 *Association of Estate Agents* is common amongst estate agents in England and in New  
26 Zealand the *Real Estate Industry of New Zealand*. In New Zealand, all real estate agents must  
27 be licensed and are included in a public register, regulated by the *Real Estate Agents*  
28 *Authority* an independent government agency, following the *Real Estate Agents Act 2008*.  
29  
30

31  
32 The sales process in New Zealand is much more like the US exchange system than the  
33 English or Scottish models (Sawyer *et al.*, 2003; Smith *et al.*, 2006). Both countries permit  
34 multiple methods of sale: private, open and auction, although they vary in frequency. In  
35 England the open sale is the most frequent, with offers presented to the estate agent and  
36 relayed to the vendor; offers are judged on a case by case basis; and the number of offers  
37 placed within a short period of time is contingent on market conditions, and may result in  
38 multiple offers being considered simultaneously. In England auctions are used occasionally  
39 for sales, tending to focus on redevelopment and repossession dwellings, and whilst closed  
40 bid auctions are also possible they are rare. In New Zealand multiple transaction methods  
41 are common; their popularity varies depending on locality, type of dwelling and the  
42 buoyancy of the housing market. During Auckland's housing boom the auction process was  
43 the most common method of sale. A vendor choosing to sell by auction will have a sole  
44 agency agreement with an agent and establish a confidential reserve price in advance of the  
45 auction. The dwelling can be sold prior to the auction as long as this is clearly stated. Once  
46 the bid has been accepted and the auctioneer's hammer fallen the sale is unconditional. If  
47 the reserve price is not reached it is normal practice for the agent to approach the highest  
48 bidder in order to negotiate a sale. In smaller population centres in New Zealand, where  
49 markets are thinner, dwellings are commonly sold at an advertised or asking price. For  
50  
51  
52  
53

54  
55 <sup>1</sup> Statistics New Zealand, 2014

56 <sup>2</sup> Office of National Statistics, Mid year estimate 2013  
57  
58  
59



larger dwellings a tender process, whereby confidential ‘best’ written offers are submitted before a deadline, is commonly used.

A dominant and second tier region was selected from each country: London and Sheffield (England), Auckland and Hamilton (New Zealand). The London market recovered much more quickly from the Global Financial Crisis than markets in other major cities across England, with average house prices in 2015 of £456,000 (Nationwide, 2015). By 2014, although the market was slowing in London, it was significantly more active than in South Yorkshire, which had undergone a prolonged period of limited activity, but was picking up throughout the study period. Increasing prices were particularly felt in the rural and higher priced end of the South Yorkshire market where supply was constrained, with average house prices in the region of £143,000 (Nationwide, 2015). Auckland is the strongest market in New Zealand and the Real Estate Institute of New Zealand analysis for Auckland in March 2015 reported a stronger than usual seasonal lift. There were differences in increased volumes identified across the Auckland region ranging from 21% to 76% following significant increases in house prices since 2010. In Hamilton prices fell by 7% in the period from March 2014. The median price of a house in Hamilton City as of March 2015 was \$350,000 falling from \$375,000 in March 2014. Despite the close geographical proximity of Hamilton and Auckland, the housing markets exhibited distinct patterns.

#### *Estate agency business descriptions*

Three distinct types of estate agency service are identifiable; “*Remote Only*”, “*Remote Plus*” and “*Service Plus*” (see table 1). Not all companies fit comfortably in any one of these descriptions; however, the typology is useful for discussing the major trends and variations for the majority of estate agencies.

INSERT TABLE 1 HERE

#### **Table 1. A typology of estate agency businesses**

Estate agency services differ in the two countries. The three estate agent types are observable in most markets in England, although vary in their balance from market to market. Markets also contain a diverse range of estate agency sizes (from multi location international to single office independent) competing across service and price differentials. In New Zealand, housing real estate agents ubiquitously offer a full service to their client (*Service Plus*) including giving advice on probable sale price, undertaking marketing, viewings and negotiation with potential buyers. This research focuses on *Remote Plus* and *Service Plus* forms of estate agency, as business types that pre-date the information age, to consider how they have survived and practices adapted.

#### *Interview selection and process*

The majority of semi-structured in-depth interviews were with *Remote Plus* and *Service Plus* estate agents and senior housing market professionals with a minimum of 10 years’ experience, lasting on average 50 minutes. One interview in each country was with a *Remote Only* agency. The prerequisite experience directs the sample towards surviving estate agents; following the emphasis in this research on successful adaptors. Whilst

1  
2  
3 technology's role has continuously developed, a 10 year time frame was selected to  
4 consider the impact that online property portals, IT-based analytics and mobile  
5 communication technology has had. Interviewees were recruited through email invitations  
6 and approaches in person to estate agency offices using a stratified selection process.  
7 Approximately 30% of agents contacted agreed to be interviewed in England, a substantially  
8 higher response rate was experienced in New Zealand. Face-to-face and telephone  
9 interviews were used, with no discernable difference for the analysis. There were limited  
10 differences between practice types within countries, therefore the results combine both  
11 market contexts in each country (i.e. Sheffield and London in the UK and Auckland and  
12 Hamilton in New Zealand). The findings reflect the views of *Service Plus* and *Remote Plus*  
13 businesses.  
14  
15

16  
17 Interviewees were asked about the housing market and its operation; the behaviour of  
18 buyers and vendors across the sequential model set out above and the behaviour of  
19 competitors. They also reflected on the housing market changes throughout their  
20 experience, and in particular since 2005 after the early millennial studies, and how practices  
21 and social relations have evolved. The interviews are analysed for changes in practice,  
22 agents' explanations of technological development and their performance of the market,  
23 before composite conclusions are drawn.  
24  
25  
26

### 27 **Analysis of estate agency practice adaptation in the information age**

28 The analysis focuses on the technologies and practices seen as most significant by  
29 interviewees across the five business stages. It considers changes to everyday practices, the  
30 character of housing and the social construction of the market.  
31  
32

#### 33 *Prospecting*

34 Brand building and engaging potential vendors remains critical for estate agencies.  
35 Interviewees argued for the importance of a distinctive image for their organization (e.g.  
36 dynamism, trust and expertise), and in New Zealand for the individual agents personal  
37 brand, as one agent tends to service each customer. Disruptive technologies and social  
38 changes have altered some prospecting media, but many of the historic branding practices:  
39 paid for advertising; 'For sale' boards and *open homes* have not been abandoned in the  
40 *information age* in England and New Zealand.  
41  
42

43 Two interlinked disruptors to the prospecting practices of estate agents have occurred. First,  
44 estate agents argued that they used to spend a large proportion of their advertising budget  
45 on adverts within traditional print media (e.g. local newspapers). This enabled agencies to  
46 advertise properties, but more importantly gave the agency the freedom to construct a  
47 whole advert whose primary function was to showcase the agency brand. In England some  
48 *Remote Plus* and *Service Plus* agencies continued to brand their businesses through adverts  
49 in regional magazines and in the property sections of free local newspapers, which have  
50 now also moved online, yet they recognized it was less important than it used to be. In New  
51 Zealand, print based property media is still prevalent, although its readership is diminishing;  
52 a concern given the greater branding ability of print media than online property portals  
53 provide.  
54  
55  
56  
57  
58  
59  
60

1  
2  
3 "I think it happened [the continued strength of print media] because I think the  
4 biggest influence is print media's ability to indoctrinate and maintain that influence  
5 and the real estate companies' recognition that their branding could have been  
6 marginalized."

7 (Auckland, *Property Professional*)  
8  
9

10 The second change is that as online search has increased so property portals have become  
11 more important for prospecting. Interviewees argued that household's used to search  
12 directly through estate agency branded mediums (whether local newspapers, estate agency  
13 windows, or direct with an agent), yet now the majority of searches online are through  
14 property portals in which the property portal is the brand context rather than the agency.  
15 Whilst limited, in England agents were trying to promote their brand through the purchase  
16 of advertising space and premium dwelling listings on property portals, a practice that was  
17 not evident in New Zealand. In England, the choice of which property portals to advertise in  
18 was reflected in the website's ability to provide leads and build brand awareness. Agencies  
19 were selective in their use of the different property portals, with a combination of the  
20 quality of the dwelling, perceptions of the portal's image, the cost of advertising and the size  
21 of the agency business all factors in the decision where to advertise. In New Zealand, all  
22 agents interviewed advertised on *Realestate.co.nz* and if their client was prepared to pay an  
23 additional cost they would also advertise on *TradeMe Property*. In both countries agencies  
24 collect data from these sites for future marketing purposes.  
25  
26  
27

28 These disruptors have not precluded some of the pre information age prospecting  
29 mechanisms. Two issues are discussed here: open homes and repeat business. In New  
30 Zealand, where *Remote Only* housing estate agencies have not established a foothold, the  
31 *open home* continued to provide prospecting possibilities. These events, involving both the  
32 agent and vendor, are often heavily staged; with flowers, coffee, freshly baked produce and  
33 in some cases hiring temporary furniture to present both the dwelling and the agent's  
34 capabilities to potential buyers. Agents described intensive work to create a vision of  
35 'home', hoping to stimulate imaginations in an intensely emotional process (see e.g.  
36 Jørgensen, 2016). As most searchers want to physically explore the unique attributes of that  
37 dwelling, *open homes* (and later other forms of viewing) present an opportunity for the  
38 agent to develop a personal rapport. In housing, unlike in most other sales environments  
39 (except perhaps second hand cars) agencies' stock is frequently dependent upon housing  
40 searchers acting as vendors.  
41  
42

43 "I reckon that open homes are huge. If you are not doing open homes then you  
44 should probably go on holiday and wait until you have got one coming up"  
45 (Auckland, *Service Plus*)  
46  
47

48 The second major factor agents described positively for their prospecting was repeat sales.  
49 Dwellings act as rung on the housing ladder for many households in England and New  
50 Zealand, who transition at different life stages. As such, despite being infrequently traded, it  
51 is not uncommon for households to use estate agents multiple times through induced or  
52 adjustment moves (see e.g. Clark and Onaka, 1983). Whilst other products, such as vehicles,  
53 are traded multiple times, few retain or increase their value in a similar fashion to housing  
54 when they are re-sold. Estate agencies in all four regions continued to experience high levels  
55  
56  
57  
58  
59  
60

1  
2  
3 of repeat business, with *Service Plus* agencies particularly promoting repeat sales through  
4 personal networks.

5 “We’re fairly fire-retardant with that because most of our work is return business,  
6 repeat business...and it’s not cost-sensitive, it’s service-sensitive. Our clients know  
7 that if they put a phone call in at 3 o’clock on a Sunday afternoon they’ll get  
8 something back. And 50% of our clients are friends.” (Sheffield, *Service Plus*)  
9

10  
11 “Personally I was more proactive at a club, you know at the gym I would try and get a  
12 listing so that was that sort of thing but I think that side is still prevalent if you are a  
13 new agent if you are an old agent you tend to rely on referrals and repeat business”.  
14 (Auckland, *Service Plus*)  
15

16  
17 However, repeat business takes time to establish. Therefore, in England where *Remote Only*  
18 estate agencies’ market share has been increasing, a couple of agents predicted that the  
19 cohort effect of first time buyers and vendors will have a long term reduction in the volume  
20 of *Remote Plus* and *Service Plus* repeat sales. New entrants to the housing market,  
21 particularly younger households were one reason some estate agencies had adopted new  
22 prospecting forms such as social media. Social media’s use was widely varied in England  
23 (and very limited in New Zealand). Agents argued that predominantly younger, more “tech  
24 savvy” agents undertook social media branding and the display of local knowledge of  
25 housing trends and neighbourhood attributes to both ‘talk up the area’ and evidence their  
26 expertise, which may have a longer term cohort effect on repeat sales.  
27

28 “we are looking at how we boost our presence in terms of social media because it’s a  
29 generational shift, I think. The new wave of sellers is going to be the people that’s  
30 grown up with social media and are very familiar with it...” (London, *Service Plus*)  
31

32  
33 In both countries prospecting practices have moved away from print media and towards  
34 online advertising, partly through the demise of local newspapers and partly through the  
35 growth in online housing search. In England a bifurcation in practices has occurred between  
36 *Service Plus* agencies that focused on personal relationships and repeat sales and *Remote*  
37 *Only* and *Remote Plus* agencies that focused on non-personalised marketing and brand  
38 image. In New Zealand there is a universal focus on the individual agent and their personal  
39 relationship with potential vendors, in direct contrast to England where some transactions  
40 now occur through the cybermediation of *Remote Only* agents. Accordingly, there is a  
41 divergence between the hegemony in New Zealand and the pluralism of agency practices in  
42 England.  
43  
44

#### 45 *Appraisal*

46 Appraisals are undertaken once a potential vendor has indicated that they might sell  
47 through an agency, and as such agents often advise on the likely price and sale strategy for  
48 free, using the process to capture stock. Appraisal practices vary widely. In England, some  
49 offices employ one professional to undertake all appraisals whereas in New Zealand, the  
50 agent who is involved in every stage of the business with the client will also appraise the  
51 dwelling. In both New Zealand and England there is a clear distinction between an  
52 “appraisal” and a formal “valuation” of the dwelling, although both rely on agents’  
53 knowledge of the market, including insights into current buyers and vendors and recent  
54 sales in the area, for which data may not be publicly available.  
55  
56  
57  
58  
59  
60

1  
2  
3  
4 The greatest change in practices in the appraisal and client capture stage is the role of  
5 website based appraisals using automated valuation software. Agents argued that whilst  
6 many vendors attempted to assess the value of their homes they were rarely an accurate  
7 reflection of the market.

8 “we get people coming up saying Zoopla says my property is worth this and we  
9 either say well they are £100,000 light or £1million heavy, or whatever it is. You  
10 know, valuation is bloody difficult to do off a computer screen. I mean it’s virtually  
11 impossible. It is a flavour but only a very wide-ranging flavour; I mean it could be  
12 25% out, which if you’re selling or letting a property is big bucks.” (London, *Remote*  
13 *Plus*)  
14  
15

16 Interviewees believed that the causes of this were specific to housing: the heterogeneity  
17 and commodity complexity of dwellings; limited access to up to date information; and  
18 vendors being “too close” to their homes. First, as a complex bundle of goods, the accuracy  
19 of an automated valuation of a dwelling is contingent upon identifying all of the major  
20 pricing components: “housing has all the characteristics of a complex commodity, the  
21 housing stock is highly varied and the variation occurs with respect to a large number of  
22 locational, neighbourhood and internal characteristics” (Maclennan, 1977, p.112). Second,  
23 one agent argued that automated valuation software relied on historic data and was unable  
24 to incorporate soft evidence, such as the number of bidders on a dwelling or knowledge of  
25 current searchers. Third, the emotional link between a potential vendor and their home was  
26 such that vendors were susceptible to ‘hopeful appraisals’ rather than evidenced, but lower  
27 value appraisals (this final argument is not new, some interviewees argued that agents have  
28 historically used this emotion to suggest unrealistic prices with the aim of securing the stock  
29 and then lowering their appraisal post contract).  
30  
31  
32  
33

34 Agents argued that whilst vendors’ price perceptions were emotionally constructed and  
35 were becoming more fixed through online appraisals, vendors’ perceptions could  
36 sometimes be adjusted to some degree through ‘rational’ arguments from agents.  
37

38 The change in valuation information availability in both countries, particularly in England but  
39 increasingly in New Zealand with the creation of *TradeMe Property Insights* valuation  
40 website, may be beginning to decrease the ability of agents to act as gatekeepers and  
41 experts. As vendors (and buyers) become less reliant upon estate agents’ price information  
42 and with the potential of automated valuations taking into account more up to date and  
43 localized knowledge in the future, there is the potential for a change in the social structure  
44 of the market, however, these predictions have been made before and so far do not appear  
45 to be shaping housing markets to the same extent that they are for other, less complex,  
46 commodities  
47  
48  
49

### 50 *Advertising*

51 Advertising, as the process of making potential buyers aware of relevant dwelling  
52 opportunities, has seen great changes in practice. Technological advances have enabled  
53 agents to move from the prospecting and appraisal stages to advertising faster. The use of  
54 tablets and laptops enables the creation of the advertising brochure with the vendor  
55 immediately upon signing the contract. Property portals and websites have become the  
56  
57  
58  
59  
60



1  
2  
3 most significant source of leads and advertising of dwellings in both England and New  
4 Zealand, dramatically increasing the number of dwellings buyers can view information  
5 about.

6 "there's stats out there that say 95 percent of searches start online" (London,  
7 *Remote Plus*)  
8

9  
10 Websites offer significantly more information about the dwelling than was previously  
11 available from traditional print media, office windows, booklets or fliers. It is now common  
12 for property portals to carry in excess of ten photographs for a dwelling, as well as  
13 floorplans, links to street views, neighbourhood and house price trend information.  
14 However, estate agents are not passive, the challenge to their role as gatekeepers has been  
15 contested by some agencies in England through the deliberate omission of key information  
16 on property portals.  
17

18 Respondent: I only ever use a maximum of six photographs and this goes back to my  
19 old-fashioned days where what I believe our client wants from us and our client is  
20 the seller, they want us to show the very best bits of their house not every bit. We  
21 need to tempt people to call us, not provide photographs of things that don't look  
22 very good so they won't call us.

23 {later...}

24 Interviewer: I guess there's a counterargument in that when you go onto somewhere  
25 like Rightmove and you're offered a property that's got say 30 photographs you feel  
26 as though you know everything about the property and so you might have a little bit  
27 more faith that it's a good property to go and visit than a property that only has a  
28 couple.  
29

30 Respondent: But I don't want to give you that information.

31 Interviewer: Yeah.

32 Respondent: Because I want you to come and see me. So when you say no, I don't  
33 like that, I can say 'Aha but I have this one, this one, this one and this one'. (London,  
34 *Service Plus*)  
35  
36

37 In New Zealand some agents expressed concern about this approach. Previously, if certain  
38 material was not online potential buyers would contact the agent but now without  
39 adequate information they may well choose to ignore a dwelling.  
40

41 "I think clients' expectation of agents has improved, or sorry has raised, it's raised  
42 expectations of agents in terms of response times, in terms of provision of  
43 information, in terms of provision of accurate information, quality of marketing,  
44 quality of photographs, ability to communicate information not just locally but over  
45 a wider area, transparency, all sorts of things." (London *Remote Plus*)  
46

47  
48 Technology has resulted in information being provided in many different formats including  
49 videos and floor plans, resulting in potential purchasers being more selective and  
50 knowledgeable of which dwellings they choose to physically inspect.

51 ".....videos, floor plans, fly throughs or some companies take lots of photos and put  
52 them to music with, you know, a voice over. And there's a lot more of that. So  
53 that's why, you know, you're getting these buyers who are quite savvy about when  
54 they turn up at the open home because they feel like they've intimately known it  
55 because they've been through, they've been through the fly through or whatever it  
56  
57  
58  
59



1  
2  
3 might be. But that's major shift, you know, from being a flat, linear, look at a photo,  
4 to actually quite involved and music to it and all of that. So that's really stepped up  
5 but I think it's all the extra things you can do with a listing now." (Auckland, *Service*  
6 *Plus*)  
7

8  
9 Changes in estate agents ability to control the context of advertising and the dissemination  
10 of information has been partial rather than total, signaling a growth in the power of  
11 cybermediation, but with caveats. Whilst online property portals now control the framing of  
12 dwelling information (including directly controlling some of the information about dwellings,  
13 for example proximity to schools), the heterogeneity of housing opportunities and  
14 household preferences enables estate agents to maintain control of information that they  
15 view as key and retain their role as gatekeepers and market intermediaries.  
16

### 17 *Facilitation*

18  
19 The process of facilitation has traditionally been seen as a personal process between agent  
20 and potential buyer; discerning, revealing and framing information, to the purpose of  
21 encouraging the potential buyer to place an offer on the dwelling. Whilst the purpose  
22 remains constant, the practices of communication and relationship development have  
23 changed as buyers increasingly research online.  
24

25 "all the information is free, it's available to anybody, so it's not a closely-guarded  
26 secret, it's just that the – in a competitive market and a price-driven market, the end  
27 consumer is becoming more savvy and it's not just about price, they want to know  
28 locations, schools, trains and neighbourhoods, etcetera, so it's not necessarily just  
29 about the house. So a lot of research is done online, first of all, before thinking about  
30 the actual appointment" (Sheffield, *Remote Plus*)  
31

32  
33 Some agents argued that they continue to influence buyers search parameters such as  
34 alternative locations, types of dwelling and/or price range, particularly where buyers were  
35 new to the area, as local buyers were more likely to have a fixed notion of the  
36 neighbourhood or even street that they were prepared to consider.  
37

38  
39 Changing communication technology, from post, to fax, to email and mobile phone, has  
40 significantly increased the speed of communication and buyer's expectations of the  
41 immediate availability of estate agents. In England the decline in face-to-face contact has  
42 made the task of discerning the level of interest more complex for agents. In New Zealand  
43 agents argue for the significance of face-to-face communication with potential buyers, often  
44 achieved through open homes where a request for contact details is common.  
45

46 "... some people are not entirely truthful about the information they give you, so  
47 you've got to do it really fast and in a pleasant manner and you're always trying to  
48 get some contact detail. If I said look can I have your mobile and your email address,  
49 sometimes when there's 60 people backing up, it's not the right thing to do. So  
50 we're always trying to get a phone number and we will ask people, do they want to  
51 be on our database and things like that." (Auckland, *Service Plus*)  
52

53  
54 Interviewees argued that the time estate agents spend with buyers has reduced  
55 substantially since the 1990s, particularly in England. A filtering process occurs both in  
56 selecting the search parameters on the property portal, and in selecting the dwellings to  
57  
58  
59  
60

1  
2  
3 pursue with an estate agent. Given the enhanced selectivity of buyers viewing behaviour  
4 agents needed to be more skillful in persuading these buyers to consider other alternatives  
5 in their portfolio. Behavioural changes have reduced the control of the agent on a buyer's  
6 viewing process, previously agents would drive buyers to a scheduled viewing and take the  
7 opportunity to show them additional dwellings that may be of interest en route. Time in the  
8 car with the potential purchaser encouraged the development of long term relationships,  
9 with the possibility of an agent being contracted to sell the potential buyer's own dwelling  
10 as well as enabling them to accurately identify the potential buyers' requirements. The  
11 diminished time creates a challenge for agents' ability to influence potential buyers, who  
12 may have more entrenched neighbourhood and dwelling preferences. However, potential  
13 buyers continue to experience the dwelling in person through a physical visit to the dwelling  
14 before purchase. Therefore, whilst the face to face time between agent and buyer may have  
15 reduced, it has not entirely disappeared as is the case for some consumption (e.g. holidays)  
16 and investment (e.g. pensions) decisions.  
17  
18

19  
20 Whilst estate agents may appear powerless to halt the distancing of relationships with  
21 buyers, some counter moves were evident. In New Zealand agents responded to the change  
22 in market participant behaviour and stricter requirements of the 2008 Real Estate Agents  
23 Act, by increasing their level of service. In order to develop relationships through adding  
24 value some agents in New Zealand acquire additional market and dwelling information by  
25 subscribing to databases not accessible to the general public, utilizing this information as  
26 leverage for relationship development.  
27

28       “.. I tend to use our membership site quite a lot which is REINZ and why I'm using  
29 that is checking on stats and sales and things like that and that's also our main portal  
30 for key information on our industry. The other biggie for me is Property Guru which  
31 isn't as accurate in terms of the information but it is a major site, or seeing what's in  
32 the market, all those sorts of things” (Auckland, *Service Plus*)  
33  
34

35 The combined effect of an increased amount of dwelling information available to the public  
36 and more distant communication methods between agents and buyers has led to a  
37 weakening of relationships and increased expectations from buyers. Changes in technology  
38 and behaviour have challenged agents in the facilitation stage to proactively seek contact  
39 with buyers and require them to react more expediently to buyer demands. The reduction  
40 in relational proximity between agents and buyers decreases agents' awareness of buyers'  
41 search rationales and consequently impacts their understanding of the market. However,  
42 facilitation remains only one stage in the overall practice of estate agents, and as such,  
43 whilst the level of influence that the agent has over the buyers' search process, preferences  
44 and behaviour may have decreased in this stage, it has not disappeared entirely.  
45  
46

#### 47 *Closing*

48 The final stage of a dwelling transaction process comprises the negotiation between buyer  
49 and vendor and closing the deal. Due the procedural complexity of housing transactions and  
50 their emotional nature, estate agents have retained some face-to-face contact and this  
51 stage has been least affected by changes in technology and buyer and vendor behaviour.  
52 The skill of the agent in communicating and negotiating effectively provides the opportunity  
53 for the estate agent to demonstrate the interpersonal value they can offer to the purchasing  
54 process and a justification for the importance of their role in the housing market.  
55  
56  
57  
58  
59  
60

1  
2  
3  
4 *Remote Plus* and *Service Plus* estate agents were most comfortable in the value that they  
5 added to vendor experiences through the closing stage. In both countries agents' role in  
6 mediating the transaction is a relational role, which in their perception cannot adequately  
7 be fulfilled by technology alone with phrases similar to 'holding hands', 'guiding them  
8 through it and 'encouraging the vendor that everything is ok' common. First time buyers,  
9 who were less aware of the legal processes were viewed as in particular need of this  
10 emotional and procedural support. Other actors, such as solicitors, surveyors and  
11 occasionally buyer's agents are involved at this stage, estate agents argued that they remain  
12 necessary in saving time (as a transaction cost) and supporting offers materializing into  
13 completions.  
14  
15

16  
17 Whilst price negotiation practices differ in England and New Zealand, agents in both  
18 countries defended their role in mediating the emotions and expectations for both buyers  
19 and vendors. The distancing of relationships across the business stages has proved a  
20 challenge to completing deals where buyers and vendors are more easily able to pull out of  
21 a deal, for example via email, without discussing it with the agent. Some agents insist on  
22 face-to-face meetings with potential buyers to lodge offers. In England this was used both to  
23 help develop a relationship and allow for the selling of secondary products (e.g. mortgages),  
24 which has become part of the core income streams for some agents.  
25

26 "...so the process of the transaction the value now is not in the advertising, it's not  
27 getting leads. It's entirely facilitation and negotiation..." (Auckland, *Property*  
28 *Professional*)  
29

30 Negotiation in the *information age* is more difficult because of the decreasing relational  
31 proximity between vendor, agent and buyer, which used to take place through extensive  
32 face-to-face contact in previous business stages. However, the closing stage has been least  
33 affected by technology and behaviour changes. Agents continue to play a significant role in  
34 advising buyers and vendors through the sale process and in achieving a price, which the  
35 vendor accepts. The smoothing of transactions and 'holding hands' undertaken by agents  
36 through the closing stages continues in housing, in part because of the atypical nature of  
37 housing. The infrequency of transactions, the emotional process of imagining a home and  
38 the financial cost of purchasing a dwelling all combine to retain estate agents' ability to  
39 mediate housing sales.  
40  
41  
42

### 43 **Conclusions**

44 Cultural economy explorations of the everyday practices of housing estate agents have  
45 revealed their substantial role in constructing housing markets and in mediating housing  
46 search outcomes (e.g. Smith et al., 2006; Munro and Smith, 2008; Wallace, 2008; and Sajor,  
47 2005). In social constructionist attempts to understand housing markets and the way in  
48 which they deliver different outcomes, the significance of estate agents' practices is  
49 considered paramount, a finding that is corroborated by much of the empirics on the  
50 material impact of estate agents' behaviour. This theoretical predisposition and the fact that  
51 there is anecdotal evidence that agents' practices have changed radically since the mid  
52 2000's, provided the impetus for this new investigation of the way in which agents have  
53 adapted their roles in different market contexts.  
54  
55  
56  
57  
58  
59  
60

1  
2  
3 The study shows that estate agencies' practices in a major and a second tier housing  
4 markets in England and New Zealand have evolved substantially but in different ways to  
5 incorporate and adapt to similar new technologies. Using a stage based analytical approach,  
6 we provide evidence that whilst everyday activities for agencies, such as the mechanisms for  
7 advertising have shifted significantly from paper dissemination to online portals, many  
8 agents continue with existing practices in other stages such as closing. In these respects,  
9 market analysts' predictions about the wholesale cybermediation of estate agency  
10 businesses have proved incorrect, with relational components of conducting housing  
11 transactions remaining core for many transactions.  
12  
13

14 In England there has been an increase in the role that online property portals play in  
15 constructing housing markets (unlike in New Zealand). If economic objects are constituted  
16 through discourses (du Gay and Pryke, 2002) it is evident that in England those objects have  
17 increasingly been shaped through non-personal relationships between estate agents and  
18 buyers and vendors. Yet, within this trend there is also a distinction between the activities  
19 of different types of estate agency, which raises questions about the scale of fragmentation  
20 of housing market conceptualizations and competing or overlapping assemblages of the  
21 market. In New Zealand estate agency practices are more homogeneous, remaining  
22 significant in informing buyers' and vendors' perceptions and mediating outcomes, forming  
23 a single market assemblage. The duality, between the formularized processes of information  
24 dissemination and automated valuation within property portals and the relational  
25 significance of estate agents, is not evident in the market context in New Zealand, where  
26 estate agents continue to frame the necessity for socially negotiated outcomes. The small  
27 size of the overall market in New Zealand may be the explanation for this, suggesting a  
28 caveat to Saber and Messinger's (2010) identification of increasingly divergent services, and  
29 the evidence of adaptive and divergent business practices in England evidenced in this  
30 research that size of market may influence the divergence of practices.  
31  
32  
33  
34

35 Technology enabled cybermediation has resulted in concertinaing of transaction processes  
36 for a wide range of goods and services (such as pensions, consumer goods and holidays),  
37 with personal intermediation largely removed. However, housing has taken a different path:  
38 estate agents have adapted their everyday business practices to technological and social  
39 changes in New Zealand and England, and continue to mediate housing transactions  
40 through lengthy and personal processes. This research reveals that whilst estate agents  
41 have used their agency to continuously construct the sale process to survive, they have  
42 been able to do so because of housing's unique and complex attributes and the preferences  
43 of many vendors and buyers for personal mediation when transacting dwellings.  
44  
45  
46  
47

#### 48 **References**

- 49 Ahmed, A.M., Andersson, L. & Hammarstedt, M. (2008) Are lesbians discriminated against in  
50 the rental housing market? Evidence from a correspondence testing experiment, *Journal of*  
51 *Housing Economics*, 17(3), pp.234-238  
52 Arndt, A., Harrison, D.M., Lane, M.A., Seiler, M.J. & Seiler, V.L., 2013. Can Agents Influence  
53 Property Perceptions Through Their Appearance and Use of Pathos?. *Housing Studies*, 28(8),  
54 pp.1105-1116.  
55  
56  
57  
58  
59  
60

- 1  
2  
3 Baen, J., & Guttery, R. (1997). The coming downsizing of real estate: Implications of  
4 technology. *Journal of Real Estate Portfolio Management*, 3(1), 1-18.
- 5 Baryla, E. A. & Zumpano, L. V. (1995). Buyer Search Duration in the Residential Real Estate  
6 Market: The Role of the Real Estate Agent. *The Journal of Real Estate Research*, 10(1), 1-13.
- 7 Bristow, D., Bulati, R., Mooney, S. & Dou, W. (2004). The Impact of Internet Savvy and  
8 Innovativeness on Real Estate Agents' Internet Utilization and Sales Performance. *Marketing*  
9 *Management Journal*, Spring 2004, 103-116.
- 10 Case, K. & Shiller, R. (1988) *The efficiency of the market for single family homes*, National  
11 Bureau of Economic Research.
- 12 Crowston, K. & Wigand, R. T. (1999). *Real estate war in cyberspace: An emerging electronic*  
13 *market?*, accessed online: <http://surface.syr.edu/istpub/79/>
- 14 Dixon, T. (2005). The impact of information and communications technology on commercial  
15 real estate in the new economy. *Journal of Property Investment and Finance*, 23(6), pp.480-  
16 493
- 17 Du Gay, P. & Pryke, M. (Eds.). (2002). *Cultural economy: cultural analysis and commercial*  
18 *life*. Sage.
- 19 Dunning, R.J. & Watkins, C. (2012) *Information, search and housing choice*, report to RICS
- 20 Dunning, R.J. & Grayson, A., 2014. Homebuyers and the representation of spatial markets by  
21 information providers. *International Journal of Housing Markets and Analysis*, 7(3), pp.292-  
22 306
- 23 Ford, J.S., Rutherford, R.C. & Yavas, A. (2005). The effects of the internet on marketing  
24 residential real estate. *Journal of Housing Economics*, 14(2), pp.92-108
- 25 Galster, G. (1990) Racial steering by real estate agents: Mechanisms and motives. *The*  
26 *Review of Black Political Economy*, 19(1), p.39.
- 27 Guy, S. & Henneberry, J. (2002). Bridging the divide? Complementary perspectives on  
28 property, *Urban Studies*, 39(8), pp.1471-1478
- 29 Haag, J., Rutherford, R. & Thomson, T. (2000) Real estate agent remarks: Help or hype?  
30 *Journal of Real Estate Research*, 20(1/2), pp.205-215
- 31 Hickman, P., Robinson, D., Casey, R., Green, S. & Powell, R. (2007) *Understanding Housing*  
32 *Demand: Learning from Rising Markets in Yorkshire and the Humber* (York: JRF)
- 33 Jørgensen, C.J. (2016) The space of the family: Emotions, economy and materiality in  
34 homeownership, *Housing, Theory and Society*, 33(1), pp.98-113
- 35 Kurlat, P. & Stroebel, J. (2015) Testing for Information Assymetries in Real Estate Markets,  
36 *The Review of Financial Studies*, 28(8), pp.2429-2461
- 37 Levitt, S.D. & Syverson, C. (2008) Market Distortions When Agents Are Better Informed: The  
38 Value of Information in Real Estate Transactions, *The Review of Economics and Statistics*,  
39 90(4), pp.599-611
- 40 Levy, D. S. (1995). Modern marketing research techniques and the property professional,  
41 *Property Management*, 13(3), pp.33-40
- 42 Levy, D., Murphy, L. and Lee, C.K. (2008) Influences and emotions: exploring family decision-  
43 making processes when buying a house. *Housing Studies*, 23(2), pp.271-289
- 44 Linneman, P (1986) An empirical test of the efficiency of the housing market, *Journal of*  
45 *Urban Economics*, 20, pp.140-154
- 46 Maclennan, D. (1977) Some thoughts on the nature and purpose of house price studies.  
47 *Urban Studies*, 14(1), pp.59-71.
- 48 Maher, C. (1989) Information, intermediaries and sales strategy in an urban housing market:  
49 the implications of real estate auctions in Melbourne, *Urban Studies*, 26(5), pp.495-509
- 50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60



- 1  
2  
3 Marsh, A. & Gibb, K. (2011) Uncertainty, expectations and behavioural aspects of housing  
4 market choices, *Housing, Theory and Society*, 28(3), pp.215-235.
- 5 Munro, M. & Smith, S.J., (2008) Calculated affection? Charting the complex economy of  
6 home purchase. *Housing Studies*, 23(2), pp.349-367.
- 7 Myers, M. D. & Crowston, K. (2004) Will real estate agents survive?, *Business Review*,  
8 *University of Auckland*, 6, 1, pp.3-12
- 9 Nationwide (2015) *House Price Index*, December 2015
- 10 OECD (2017) *Country Profiles, Data*, <https://data.oecd.org/> (accessed 31<sup>st</sup> July 2017)
- 11 Palm, R. (1976a) Real Estate Agents and Geographical Information. *Geographical Review*,  
12 66(3), pp.266-280
- 13 Palm, R. (1976b) The Role of Real Estate Agents as Information Mediators in Two American  
14 Cities, *Human Geography*, 58(1), pp.28-41
- 15 Palm, R. & Danis, M. (2002). The Internet and Home Purchase. *Tijdschrift voor economische*  
16 *en sociale geografie*, 93(5), pp.537-547
- 17 Pryce, G. & Oates, S. (2008) Rhetoric in the language of real estate marketing, *Housing*  
18 *Studies*, 23(2), pp.319-348.
- 19 Rae, A. (2015). Online housing search and the geography of submarkets. *Housing Studies*,  
20 30(3), pp.453-472
- 21 Rashid, Z., Sambasivan, M. & Rahman, A. (2004) The influence of organizational culture on  
22 attitudes toward organizational change, *Leadership & organization development Journal*,  
23 25(2), pp.161-179
- 24 Rowley, J. (2005) The evolution of internet business strategy: The case of UK estate agency.  
25 *Property Management*, 23(3), 217-226.
- 26 Saber, J.L. & Messinger, P.R. (2010) The impact of e-information on Residential Real Estate  
27 Services: Transaction Costs, Social Embeddedness, and Market Conditions, *Canadian Journal*  
28 *of Administrative Sciences*, 27(1), pp.53-67
- 29 Sajor, E.E. (2005) Professionalisation or Hybridisation? Real Estate Brokers in Mrto Cebu, the  
30 Philippines, during the Boom of the 1990's, *Urban Studies*, 42(8), pp.1321-1343
- 31 Sawyer, S. Crowston, K. & Wigand, R.T. (2014) Digital assemblages: evidence and theorising  
32 from the computerisation of the US residential real estate industry, *New Technology, Work*  
33 *and Employment*, 29(1), pp.40-56
- 34 Shiller, R. (2005) *Irrational Exuberance*, 2nd edn. (Oxford: Blackwell).
- 35 Smith, S.J., Munro, M. & Christie, H. (2006) Performing (housing) markets. *Urban Studies*,  
36 43(1), pp.81-98.
- 37 Smith, S. J. (2011). Home price dynamics: a behavioural economy?. *Housing, Theory and*  
38 *Society*, 28(3), pp.236-261.
- 39 Sunnika, A. & Bragge, J. (2006) Analyzing the Internet-based Changes in the Finnish  
40 Residential Real Estate Market. Case: Igglo, Frontiers of E-Business Research, In *Proceedings*  
41 *of the e-Business Research Frontiers (eBRF) Conference*
- 42 Stats New Zealand (2015) Dwelling and Household Trends 1981-2015,  
43 [http://www.stats.govt.nz/browse\\_for\\_stats/population/estimates\\_and\\_projections/dwellin](http://www.stats.govt.nz/browse_for_stats/population/estimates_and_projections/dwellin)  
44 [gs-household-trends-1991-2015.aspx](http://www.stats.govt.nz/browse_for_stats/population/estimates_and_projections/dwellin)
- 45 Van Ham, M. (2012) Housing behaviour. *The SAGE Handbook of Housing Studies*. London:  
46 SAGE, pp.47-65.
- 47 Wallace, A. (2008) Knowing the Market? Understanding and Performing York's Housing,  
48 *Housing Studies*, 23(2), pp.253-270
- 49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60



1  
2  
3 Wheaton, WC (1990) Vacancy, search and prices in a housing market matching model,  
4 *Journal of Political Economy*, 98, pp.1270-1292.

5 Zumpano, L. V., Johnson, K. H. & Anderson, R. I. (2003) Internet use and real estate  
6 brokerage market intermediation, *Journal of Housing Economics*, 12, pp.134-150.  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60

	Term	Typical services
New	<i>Remote Only</i>	Website, email and phone only based service to clients. The vendor obtains the photographs and property descriptions independently, is likely to determine the asking price and undertake viewings and negotiations directly with potential buyers. Indicative fee range: 0.2% to 0.5%
	<i>Remote Plus</i>	The agency has a public office or meets clients in person. Vendors may provide photographs and property descriptions, but these may also be undertaken by the agent or other professional. The business is likely to provide advice on the asking price of the property, although the actual price will be determined by the vendor. The business may undertake viewings and negotiations on behalf of the vendor. Indicative fee range: 1%-2.5%
Traditional	<i>Service Plus</i>	The agency is likely to have a high street office and advertise properties across a range of media in a bespoke package. The agent offers extensive contact with the vendor and seeks extensive contact with potential buyers. They focus on both advertising and negotiation. Through the advertising stage they may make substantial alterations to the presentation of the property (e.g. for replacing carpets, loaning furniture, introducing emotive smells (e.g. freshly brewed coffee)), often called staging. Indicative fee range: 2.5%-4.5%

**Table 1. A typology of estate agency businesses**