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Information Accessibility in Property Markets: A Comparison of Nigeria and the UK

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Abstract

Purpose: This study examines how information accessibility in property markets is enabled by information sources, characteristics and flow channels. Nigeria and the UK are compared based upon Jones Lang LaSalle's (2018) assessments of the former as "lowly transparent" (information challenged) and the latter as "transparent" (information sufficient).

Methodology: Indicative features of information accessibility in developed markets are used to evaluate Nigeria's emergent market and the UK's established market.

Results: Information accessibility is vastly better in the UK which generates more information, has better developed sources and more flow channels. However, data challenges also exist in the UK. Nigeria's situation reveals a low volume of generation, vastly fewer sources and flow channels.

Major Conclusions: The volume, sources and flow channels in Nigeria need a vast improvement for accessibility to increase.

Originality: This comparative assessment of two property markets at contrasting levels of development contributes to an understanding of some challenges of emergent markets.

Keywords: Information accessibility; Market knowledge and perception; Property markets; Nigeria; UK

Introduction

Nigeria's property market is internationally perceived as having a great challenge of information accessibility. This is the verdict in Jones Lang LaSalle's (JLL) 2016 and 2018 biennial Global Real Estate Transparency surveys. The deficiency contributed to the country's 2016 categorisation as an "opaque" market and a 2018 improved, but yet poor, status as a "low transparency" market. On the other hand, the same reports adjudged the UK as a highly transparent market, and London, the most transparent city market in the world. These assessments suggest that the UK in general and London, in particular, are information-sufficient property markets. Between the

UK and Nigerian property markets, therefore, there is a great contrast. Not only is the UK what Nigeria currently is not, it also represents what Nigeria should aim to become. Such an aspiration by Nigeria should be founded on an examination of its deficiencies in relation to the UK's sufficiency.

Perception is important in property investment, and therefore, plays a significant role in how investors view opportunities and environments. It is argued that information produces knowledge whilst knowledge builds perception. Thus, perception is founded upon information. Perceptions cannot be avoided because they are natural and will always be formed, held and expressed either verbally or by action. Regardless of the quality of information available, perceptions will always be held on issues, both familiar and unfamiliar. Such views may change with the availability of better information or with the passage of time. It can be argued, however, that the greater the quality and quantity of information available, then the higher would be the chances of forming an accurate perception, meaning one which is as close as possible to reality.

Indeed, perception is not reality. This view is stressed by Nickerson (2019), in stating that, *"The most successful buyers and investors are the ones who know the difference between market perception and reality"*. Furthermore, Gallimore and Gray (2011) take the view that factual data procures optimal decisions whilst resort to investor perceptions trends towards sub-optimality. Because perceptions are based upon evaluative judgements, they may be right or wrong. Where perception is not based on information, it may not only be wrong, but also, might be biased. It is particularly in this sense that perception can be removed from reality, because authentic information is a reflection of reality. This guides an investor towards understanding the investment he has made or wishes to make, and the particular environment. The availability of information must necessarily improve understanding and knowledge, and promote transparency which builds confidence and a good market reputation. The role of information in building perceptions is illustrated by Famuyiwa's (2019) report about the perceptions of investors from China, Europe and the Middle East at a Lagos construction exhibition. The investors rationalised their interest in Nigeria's property market as follows: *"As per the information received through various media, investment in real estate is more stable compared to any other business venture in Nigeria."* This is perception based upon information. It would be irrational for investors to go to places about which they do not feel comfortable. Globalisation, the propelling force of international capital mobility is aided in no small measure by investor perception. This is why countries burnish their image and draw up regulations aimed at attracting international business. For instance, Greece, Spain and Portugal have, through their 'golden visa' policies, been attracting Chinese investors for many years (Juwai, 2019). Potential profitability, political and policy stability and regulatory frameworks also constitute market information and are important to perception. It cannot be gainsaid that the availability of reliable and valid information potentially places an investor in a position to make informed choices. Therefore, it is more likely than not that an investor's poor perception of an opportunity or a particular market will be the result of the quality of available information.

The rationale of this study is JLL's (2018) global survey categorisations of the Nigerian and United Kingdom property markets. At one extreme, Nigeria's market is described as having "a low transparency" being information challenged, whilst at the other, the UK's is adjudged to be the world's most transparent and, by implication, information sufficient. The study compares these two markets in regard to the obtainability of information and the capacity for such information to reach those who might need it.

The topic is important because Nigeria's property market is globally perceived as having a low competitiveness (JLL, 2018). This perception is built partly upon information deficiencies. It is, therefore, important to understand the state of information accessibility in Nigeria's market. Second, this unfavourable international perception needs to improve so that Nigeria can effectively compete for international property investment. This would benefit the property sector whose economic significance has been growing in recent years. According to Cities Today (2018), "Highly Transparent' markets-across 11 countries-account for around 75 percent of global direct real estate investment". This implies that the less transparent, but more numerous global markets which have to contend with 25%, will remain disadvantaged unless they embrace transparency, the crux of which is to produce and deliver information more readily, widely and regularly. Third, a failure to address the information challenge would constitute an enduring handicap to property practitioners and investors in Nigeria's property sector. This would happen if investment decisions and investment advice are sub-optimally made or given.

The approach involves the use of a benchmark to evaluate the Nigerian property market which investor perception describes as being information deficient and the UK's which is presumed to be information sufficient being the world's most transparent(JLL,2018). The study analyses secondary data, the sources of which include published research, reports, the media and the archives.

The main finding is that Nigeria's market lacks many of the features required for effective and efficient information flow. Relatively, it is thinly reported, and therefore, inadequately analysed; it is characterised by a widespread informality; and lacks an effective organisation, thereby leaving grey areas and gaps in information collation and dissemination. This is unlike the UK's which is profusely reported, highly illumined and rigorously analysed, meaning that there are more flow channels which make for effectiveness that promotes efficiency. Thus, the range, volume, detail, regularity, reliability of information flow is greater in the UK.

Following this introduction, the paper explains the rationale of the study, reviews the role of information in systems and property markets, information needs of property markets, the sources of such information, and the challenges of information availability in property markets. An explanation of the methods of the study is given and this is followed by an evaluation of both markets. Then follow the findings and discussion. Practical implications are identified before the conclusion and recommendations.

As mentioned, Nigeria's property market is categorised by JLL (2018) as having "a low transparency" based on information accessibility considerations. This suggests a dearth of information in its system. However, since information flow is a process, this deficiency may encompass not only the generation of information, but also, its obtainability by end-users. Therefore, it is necessary and important that the sources, characteristics and flow channels of information in the Nigerian market be examined. The UK is chosen for comparison because of its status as the world's most transparent market. Its property market is, therefore, of a status which Nigeria currently lacks. It is considered to offer a rational guide for the growth and development of Nigeria's property market. Furthermore, it is thought that a comparative study of the two property markets would effectively reveal Nigeria's existing deficiencies and guide it towards the trajectory of development. This should help not only in suggesting steps to improve information availability, but also, in improving international perception of the property market. Therefore, this study sets out to:

- (i) Establish the role of information in property markets;
 - (ii) Appraise the factors which influence information availability in developed property markets;
- and

(iii) Ascertain the relative presence of influencing factors of information flow in the UK and Nigeria property markets.

Literature Review

The Role of Information in Property Markets

Information is an important issue in property markets, perhaps more so than in other markets. This is because of the peculiarity of property itself whereby transactional information may either be unavailable, scantily available or not immediately available. These situations impact upon the quality of decision-making amongst buyers and sellers and lessors and lessees. This difficulty is usually highlighted by a comparison of the property market with the paradigm of perfect competition.

Two main attributes define the basic concept of a flow. The first is mobility; and the second, progression along a pathway which leads to the achievement of a purpose. Indeed, it is not only liquids which can attain a state of flow, for the capacity to attain this state can extend to entities which possess the quality of fluidity as in systems where internal communication is required between different units and sections for performance and the production of output or a desired outcome. There are two pre-conditions for information accessibility. Information has to be made available in the first place. This happens either through its being systemically generated or produced through a process of analysis. Additionally, such generated or produced information should possess the qualities, the problem-solving characteristics, which make it valuable. This creates the potential for application which facilitates understanding and contributes to the resolution of informational problems. Thirdly, a situation of information obtainability becomes established only if information which possesses the afore-mentioned qualities can actually reach where it is needed for application to the intended purpose(s).

Information Flow in Systems

All systems need information in order to function effectively. Information may either be generated within a system or comes into it as external input which has to be transferred to where it is needed. Until such a transfer successfully takes place, such information cannot be useful. Thus, information which exists and cannot "flow" to where it is needed, loses the essence of its availability. Such a situation is akin to having no information. Again, information which cannot timeously reach its end user becomes either of diminished utility or outright irrelevance. A holistic consideration of the subject of information accessibility in property markets should involve the sources, characteristics and the very channel(s) and direction(s) of its flow. Above all, the effectiveness and efficiency of the flow is dependent on its ability to serve the desired purpose at least cost in terms of time and money. The information required in systems may be sourced from within or outwith, depending on the nature of the system. In the private sector such as commercial and marketing organisations, internal information may be applied to external purposes and the latter subsequently received as feedback for internal use. In this case information can flow forwards and backwards. In governance systems, such as land administration, information is externally obtained for internal application. This may further flow outwards to end users of land information. In the case of organisations which produce information for sale, there is an outward flow to prospective buyers, following an internal collation, processing and packaging.

Information in Property Markets and Under Perfect Competition

As places for decision-making, markets require for their functioning an effective flow of information. This is particularly so in property investment which involves substantial capital outlays, varying levels of risk to capital and income, and uncertainty about the future. Decision-making occurs at various levels of operation: local, regional, national and international. Ideally, information flow should be unrestricted, but property markets possess special characteristics which tend to restrict information flow. These become obvious when property market conditions are assessed against the conditions which are associated with perfect competition as shown in Table 1.

Table 1. Perfect Competition and Property Markets

	<i>Under Perfect Competition</i>	<i>In Property Markets</i>
1	there is a perfect knowledge of prices amongst all buyers and sellers	transactions are often confidential and unreported/ diverse locations are involved
2	there is freedom of entry	potential buyers are reduced by high outlay
3	there are numerous buyers and sellers	transactions in sub-markets may be numerically inadequate to form an opinion/ information not instantly available
4	the product is homogeneous	the product is heterogeneous

Source: Author's Compilation, 2020

The table shows that there are important differences between the ideal situation of perfect competition and the true situation in property markets. This is attributable to the characteristics of physical property and the circumstances under which interests in it may be exchanged. Two implications arise from these differences: First, they collectively indicate that property markets are comparatively imperfect. Secondly, they imply hindrances to information flow in property markets as can be discerned from (1) and (3) particularly. Confidentiality in transactions is a threat to information accessibility as is a situation where transactions are numerically inadequate. Additionally, a perfect knowledge of prices which should make information accessible can occur only if sources are *adequate*; the required features are *present*; and the channel of flow effective and efficient because information is *instantaneously available* to end users. Generally, information required for decision-making should have certain qualities or characteristics in order to serve its purpose effectively. These are the qualities of reliability and validity (Burns, 2000). The purpose should also be achieved in an efficient manner and this would be possible if the information is affordable and timely. The reason why is that information is essentially an input to the investment process.

There are some reasons why the cost of information must vary between these two situations. The possession of a perfect knowledge of prices under perfect competition implies that there is little or no cost involved in gaining information as all details are immediately available. On the other hand, some features of property markets suggest that access to information would involve costs. These features are locational diversity (which means that information would have to be collected from various locations and would therefore not be immediately available); attempts would have to be made to gather information on confidential transactions; and the relative infrequency of transactions coupled with lower numbers of potential buyers, by reducing the volume of information, places a premium upon available information thereby making it costly. Additionally, quite unlike perfect competition, property market information needs to be subjected to tests of reliability and validity.

Information Needs in Property Markets

Property markets constitute systems. Activities and interactions take place within them. The two main groups which feature in property market systems are investors (existing and prospective makers and takers) and their professional advisers. Admittedly, there are other stakeholders in property information such as the government, researchers and the general public. There are flows of information between these groups. The two groups need information which can come from a host of sources. Table 2 shows the information needs of the two main groups.

Property market information is valuable and should be made available for use. Such information becomes valuable only if put to use by end users. By putting it to use the information is used to create value. A successful flow of information in property markets takes place if buyer and seller decisions are accessible to all stakeholders. Mostly, in the present digital age, this objective may be achieved simply by stakeholders having knowledge of how and where to access information, the conditions for access, and availability of the required technology. In other cases, information will need to be channeled towards its pre-known end users by the means of either digital technology or manual transfer. When information reaches its end users, it is undeniable that a flow has taken place. Where a flow does not, and this may be for reasons such as poor quality information, inadequate sources, poor flow channels an unaffordability. A situation in which there is a poor flow of information is not necessarily reflective of a total absence of information.

Table 2. Property Market Information Needs

	Investors(Existing & Prospective)	Professional Advisers	Market Sources
New Investment	Acquisition price of land; Acquisition price of built property; Rental prospects; Management cost	Market transactions information for understanding, reference and market analyses	Development Sector; Letting Sector; Investment Sector
Existing Investments	Rental value; Market value; Mortgage Value; Insurance Value; Taxation		Letting Sector; Investment Sector

Source: Author's Research, 2020

Sources of Property Market Information

The sources of information may be external as well as internal. The market generates internal information through property transaction and property production prices. Other information which is useful for creating understanding and the basis of reference and analysis may come from valuers' analyses of facts, conditions and prospects. These may be seen as external to the market because they involve the exercise of judgement oftentimes using techniques and information from other sources. Information is also made available to the market through sources such as the academia, professional research, industry reports, the media and the public sector. These all are external sources as they are not directly from the market even if the market supplies some of the information.

Methodology

The research approach of this paper involves a comparison of information accessibility in the Nigerian and UK property markets. This involves identifying the characteristics, sources and flow channels of property market information in developed property markets. Through a review of secondary data, the study identifies the indicative features of information flow in developed property markets. These are then used to prepare a benchmark for conducting an evaluation. The benchmark is then applied in a comparative evaluation of the sources and characteristics of property information and their channels of flow in both markets. It is presumed that information flow is a process and that information must come from certain sources and possess the right characteristics which makes it useful before the issue of its flow can arise. Again, the evaluation recognises that information does not need a physical presence in order to flow, particularly with the advent of the digital economy and digitization. The implication for information flow is that information sources also are the channels of flow of information which they hold. Technology becomes the avenue by which the flow takes place in real time. Information accessibility is highly dependent on the level of organisation of the market, particularly legislative arrangements, specialisation and professionalism; and the effective deployment of technology through data banking and online access.

Factors Affecting Information Accessibility in Developed Property Markets

The imperfection in property markets extends to more than information (see Table 2). But information is the main feature of the state of imperfection because it affects decision-making. This study is about property markets, but it is not really about property market efficiency which, according to Keogh & D'Arcy (1999:p.2401) "*is concerned with the efficiency of explicit market processes*". Neither does it deal with allocative efficiency which "*refers to the efficient deployment of resources*" (Keogh & D'Arcy, 1999: *ibid*). The concern here is not also about informational efficiency which Arvanitidis (2006) says is a necessity for attaining allocative efficiency in property markets. Rather the study is about what may be described as *informational potential*, by which is meant the existent possibilities of gaining access to useful information, within the property markets of Nigeria and the UK. Evaluating efficiency would entail looking at timeliness and cost issues. Since JLL's categorisation of Nigeria is not based upon informational efficiency, it is thought that the main issue here should be the availability or obtainability of information. This is the identified Nigerian challenge and both markets can be comparatively evaluated on this basis without having to consider speediness and cost of information. The study, therefore, takes this path. The intention is to use the information accessibility status of the developed UK property market for the purpose of establishing the nature and extent of Nigeria's deficiency in providing access to information.

Property being an important component of the modern economy, the state of being developed essentially means that a country's property sector is effectively organised, managed and regulated. This enables the property sector (and thereby the property investment vehicle) to perform its proper role in the economy. This role exists in macroeconomic and microeconomic dimensions, or alternatively, from the viewpoints of the economy and the individual property owner. In consequence, property is now the largest asset class in the world by value (Savills World Research, 2017) such that "*local property markets are becoming part of a global phenomenon experienced by many individuals and families around the world*" (Savills World Research, 2017: 4).

The study now proceeds to identify and establish from the literature the features which define information accessibility in developed property markets. These features will then be used to prepare a benchmark for evaluation of the UK and Nigerian market. Property markets exist in developed, emerging and developing countries. However, a country's level of economic

development is usually reflected in the state of its property market (Keogh & D'Arcy, (1994). These authors view maturity as arising from an evolution of the national, regional and urban economies and they identify a mature (in this case developed) market as one which possesses the features listed in Table 3.

Table 3. The Principal Characteristics of Property Market Maturity

-
- Accommodation of a full range of use and investment objectives.
 - Flexible market adjustment in both the short-and long-run.
 - Existence of a sophisticated property profession with its associated institutions and Networks.
 - Extensive information flows and research activity.
 - Market openness in spatial, functional and sectoral terms.
 - Standardization of property rights and market practice.
-

Source of Table: Keogh & D'Arcy (1994)

The list shows that information flow is a cardinal requirement of the developed market. These flows can be seen as emanating not only from transactions data, but also from research on market strengths and weaknesses. Information flows should come from all sub-markets and the opportunities which they offer such as the availability of opportunities in shares of publicly quoted property companies, property trusts or funds, and property securitization. Information flow also implies openness to outsiders, including national and then international participants. This should extend to the standardisation of property rights and market practices in that environment.

Jones Lang LaSalle's biennial Global Real Estate Transparency surveys also address the issue of information flow by its comparative assessments of urban and national markets. In these surveys, poor information flow in certain markets such as Nigeria's, has been used to justify a categorisation as an "opaque market (JLL, 2016) and subsequently "a low transparency market" (JLL, 2018; 2020). In JLL's assessment, data accessibility was contributory to a low perception of the market by international investors. Other contributory issues were "governance, transaction processes, property rights and the regulatory/legal environment".

Going by Keogh & D'Arcy's postulation that "*Extensive information flows and research activity*" is a characteristic of mature property markets, this paper now proceeds to build a framework of information accessibility in property markets. The framework states the different *characteristics* which property information must possess, the different *sources* from which property information may originate and the various *channels* through which property information can be accessed. Table 4 outlines the framework.

Table 4. Requisites of Information Accessibility in Developed Property Markets

<i>Information Characteristics</i>	<i>Information Sources</i>	<i>Channels of Information Flow</i>
Adequacy	Market-derived (property market, stock market)	Individuals
Reliability	Non-market derived	Firms(Corporate)
Validity	In print & digital forms	Online Platforms
Timeliness	Government Databanks	Research Repositories
Affordability	Research(Individual/Firms/ Government/Institutional/ Academic)	Government Publications
	Trade Journals	Institutions
	Firms	The Media
	Individuals	

Source: Author's Research, 2020

Characteristics of Information

This is a very important feature because it distinguishes worthwhile information from the irrelevant, the genuine from the corrupted. If what is purported to be information does not possess these features, then it is not worthy of transmission because the desired purpose will not be served. Genuine information is valuable to produce, to possess and to use. Information which is not reliable and valid is worthless.

Sources of Information

These are always miscellaneous, ranging from private to public, market and non-market and print and digital. Some information is collected by observation, inspection or measurement whilst others may be produced by analysis. Whatever the type, information may come from a range of sources: market and non-market; private (research) and public (data banks and research); individual and corporate; from the media and institutions and in print or digital formats.

Flow Channels

Information is made accessible if it is able to flow from source to destination. Alternatively, it is accessible if end-users can obtain it from source, either manually or digitally. Information from all the identified sources can become accessible to other users of information through the efforts of individuals and on-line platforms. Similarly, information produced or garnered by firms can be made accessible to individuals, firms, researchers, government and the media either directly or through on-line dissemination. The same applies to information from government publications, institutions and the media. Information from research repositories may be given out by themselves and accessed online. Accessibility to government data banks (on ownership, transactions and costs, etc) is given on terms acceptable to its management. The capacity for information to move from one point to the other is *evidence of a flow*. The opportunity to gain access to information within a system is indicative of *accessibility*.

Results

In this section there is a comparative evaluation of information accessibility in the two property markets. The evaluation treats information flow as a process which commences with the production and availability of information which possesses the required characteristics, obtainable from the identified sources and which flows from these sources to end users.

Table 5. Information Accessibility Capacities in the Nigeria & UK Property Markets

	<i>Information Sources</i>		<i>Information Characteristics</i>		<i>Information Flow Channels</i>	
	<i>Source</i>	<i>Evaluation</i>	<i>Characteristics</i>	<i>Evaluation</i>	<i>Flow Channel</i>	<i>Evaluation</i>
U N I T E D K I N G D O M	1.Private	Yes	1.Adequacy	Yes	1.Online	Yes
	2.Public	Yes	2.Reliability	Usual	2.Databanking	Yes
	3.Market-derived	Yes, limited	3.Validity	Usual	3.Government sources	Yes
	4.Non market-derived	Yes	4.Affordability	Usual	4.Trade Journals	Yes
	5.Print	Yes			5.Other publications	Yes
	6.Digital					
	7.Research	Yes				
	a. Individual	Yes				
b. Corporate	Yes					
c. Academic	Yes, high					
d. Govt.	Yes					
8.Trade journals	Yes, high					
N I G E R I A	1.Private	Yes	1.Adequacy	No	1.Online	Not
	2.Public	Rarely	2.Reliability	Problematic	2.Databanking	always
	3.Market-derived	Yes	3.Validity	Problematic	3.Government sources	No
	4.Non market – derived	Yes	4.Affordability	Problematic	4.Trade Journals	Infrequently
	5.Print	Yes		Not applicable	5.Other publications	Limited
	6.Digital					Irregular
	7.Research	Yes				
	a. Individual	Yes				
b. Corporate	Yes					
c. Academic	Yes					
d. Govt.	Yes					
8.Trade journals	Rarely Limited (basically for sales/lettings)					

Source: Author's Research, 2020

The findings are as follows.

- (1) The sources of information in the UK market are more wide-ranging than Nigeria's.
- (2) The required characteristics of property market information are seen more in the UK market than Nigeria's.

(3) The channels of flow are more numerous and active in the UK than Nigeria. These channels mirror the sources.

Discussion and Conclusions

The discussion now considers these findings.

Sources of Information

The very fact of the UK being a much older market explains why information on its market possesses the appropriate features, the wider range of information sources and their channels of flow. Fundamental to this status is a property market which is organised after decades of evolution. It is a highly reported market as evidenced by the availability of reputable industry publications. Table 6 displays a comparison of information sources in both countries.

Table 6. Property Information Sources in Nigeria and the United Kingdom

	<i>Nigeria</i>		<i>United Kingdom</i>
1.	Privately gathered information by practitioners and colleagues	1.	Reputable market publications (<i>Estates Gazette, Hillier Parker Rent Index, Property Chronicle</i>)
2.	The media	2.	Reputable online sources such as the Inland Revenue (a data bank);the
3.	The Nigerian Institution of Estate Surveyors and Valuers	3.	Investment Data Bank,
4.	Corporate and Academic Research	4.	the media and archives
		5.	Academic and Corporate research
		6.	Data privately gathered by practitioners
			Private suppliers of data
			RICS publications

Source: Author's Research, 2020

The UK has private and public information sources and channels. These include the *Estates Gazette*, which has been reporting the commercial property market since 1858 and the *Investor's Chronicle/Hillier Parker Rent Index* which commenced publication in 1965 on commercial property performance. There are many other reasons for its being highly reported. There is the high level of general literacy as well as investment literacy. The existence and implementation of laws on town planning and property rights under an effective legal system. The existence of property professionalism in the UK market as evidenced by the regulatory impact and consistent market-sustaining activities of Royal Institution of Chartered Surveyors is arguably the most important factor. The institution has been very active in developing the market through research reports. The UK's possession of a functional property taxation system in the Inland Revenue office offers a source of data which is detailed and consistent.

Public sources comprise the Inland Revenue which levies and collects taxes on property, a function which is performed not only by being a collator of data, but also, a channel for dissemination. There is also the Land Registry which collects and makes available information on transactions. Calhoun (2001:p.18) remarks this, stating that: *"In terms of public sources of property value data... the Inland Revenue offers online tabulations of property transactions by property type, price, region, type of seller, and type of buyer, and the Lands Registry reports average transaction prices for regions, counties and local authorities down to the postcode sector(neighbourhood level)"*. There is also the Investment Property Databank, a private source of UK property business information produced on monthly, quarterly and annual bases for the benefit of investors, analysts and researchers (IPD, 2020). Such information includes property performance indices for the

commercial real estate sector, analyse property performance in the UK market. It is considered to be a standard benchmark.

On the contrary, sources in Nigeria are not as wide. Nigeria's sources are mostly private because of the fundamental challenge of a poorly organised market which is dominated by informality as many transactions bypass the regulatory authorities, thereby going beyond the reach of practitioners and researchers.

Again, there is no provision for the systematic collection of market transactions data. Therefore, practitioners have to rely on private sources of data which are mainly their own records, colleagues' records, a few trade publications and online sources which are not always reliable. There is no standard benchmark in Nigeria, such as the IPD, which enables investors to monitor developments in the commercial and other sectors of the market. There are private reports by management firms such as PwC, Akin Olawore and the like, but not of the standing of the UK market.

Characteristics of Information

The quality of information is defined by the ability to reflect the desirable features which are adequacy, accuracy, reliability, validity, timeliness and affordability. The relatively high volume of information on the UK market improves the prospect of adequacy. Accuracy, reliability and validity are helped by the volume of information generated and the way in which it is collected and processed. Now, the existence of government and private data banks who are able to deploy the right methodologies, enhance the chances of delivering accuracy, reliability and validity. This also applies to timeliness. Regarding affordability, the UK has data producers who sell data. Whilst the quality of such data may lack guarantee, those who have a need for it find it affordable.

In Nigeria, the characteristics of information are necessarily limited by the fewer sources and lower volume. Thus, adequacy, accuracy, validity, timeliness are really issues which are unaddressed. The flow channels are unable to ensure a wide, consistent and regular availability, meaning that reliability and validity cannot always be guaranteed. There are no private data producers, rather individuals and firms may gather data which they may elect to share with others. But there is an effectiveness because the information available to practitioners and investors, however scanty and flawed, has nevertheless, been able to serve the purpose of decision-making. This effectiveness will necessarily be limited because some decisions may be sub-optimal.

Information Flow Channels

In the UK, the flow channels identified in Table 3 all apply. Thus, information flows from individuals, firms, online platforms, research repositories in private and public establishments including the academia and data banks. However, this is not the case with Nigeria where data gathering is not systematic and research repositories are not really organised. The channels of flow are, therefore, severely limited.

In sum, the informational capacity of the UK is vastly superior to Nigeria's. The capacity to deliver information is dependent on the capacity to generate it in the first place. On this score, the UK far surpasses Nigeria. Informational capacity is dependent also on the variety, availability and operational status of channels for dissemination. Here again, the UK as an established, organised and advanced system has the advantage by far. Thus, the range of information sources, the required characteristics of worthwhile information and the array of information flow channels in developed property markets are reflected in the UK. On the contrary, this is not the case in Nigeria's property market where challenges exist as to sources, characteristics and flow

channels. However, the UK situation should be seen as being relative, but not absolute. This is because its market yet has many limitations to information flow.

Data Challenges in the UK

The data challenges existent in the UK property industry, as identified by the RICS (2019), consist of poor data, untrustworthy or 'dirty data', unreliable internal data sources, data hoarding, data sharing and data confidentiality. These are summarised below.

Data Availability

"data is not currently freely available in the property industry and there are practical difficulties in obtaining and using data".(RICS,2019:p.25).

Untrusted or Low Quality Data

'Dirty data' is still a challenge. There is the ever-present challenge of seeking consistent and trusted data". (RICS, 2019: p.17). It is also reported by the RICS that the "data which is available to buy, and generally stored within internal systems, is of such poor quality that it cannot be relied on without expert interpretation. Even data now available from sources such as the UK Land Registry needs a significant amount of cleansing before it can be relied on" (RICS, 2019:p.17). Furthermore, "Most valuers only use bought data to give clues as to where to research the market – they do not trust the accuracy of the data enough to rely on it alone when valuing property. The market is used to finding its own data and distrusts data it is given" (RICS, 2009: p.25). It is also reported that "central sources of data, collected by legal statute, are unreliable there is a strong presumption that property professionals will continue to work with data as they have done before. Additionally, the commercial services that collect property data are beginning to increase prices for little or no perceived increase in data quality".(RICS,2019,p.26).

Unreported Data

Access to information on certain deals will likely remain difficult or impossible. "The implication is that many leases will remain unreported in datasets and benchmarking will become less accurate" (RICS, 2019; p.25).

Excess Data

"Having too much data can be a challenge. Searching through a large amount of data and establishing what the right data is will be a skill required more. Some organisations are still storing data in case it may be useful, but they are unsure what they are going to do with it". (RICS, 2019: p.18).

These data challenges of the UK system does not invalidate the wide availability of property information in its system. What the issues indicate is the existence of limitations which have the effect of making available data sometimes of limited applicability, thus requiring some analytical treatment before being made ready for use. This is an issue which the property profession will have to resolve. Unreported data is a characteristic which is common to all property markets. Parties who produce data incur certain costs which need to be recovered. Notwithstanding these contending challenges, the UK property market can be described as having a greater informational capacity than Nigeria's where information challenges are greater and more rooted. This comparison with a better established market reveals the extent of Nigeria's challenge and should provide a guide towards change.

Practical Implications

The subsisting poor information accessibility in Nigeria's property market implies a limited market knowledge on the part of practitioners and investors. These limitations present the consequential challenge of a poor market perception which diminishes Nigeria's global competitiveness.

Conclusion and Recommendations

This paper comparatively examined information accessibility in the Nigerian and the UK property markets. The latter, which JLL adjudges to be the world's most transparent, was presumed to be information-sufficient and used to measure the former which has a low transparency and is deficient in information. The indicative features of information flow in developed property markets were used as a benchmark. The conclusion is that information accessibility challenges exist in both markets, but that the UK's generates a superior volume of information, with fuller characteristics and from a greater number of sources and this is disseminated through a greater number of channels than what obtains in the Nigerian market. Therefore, there is a greater accessibility to information in the UK market.

The study reveals that Nigeria's market lacks many of the features required for effective information flow. Relatively, it is thinly reported and therefore inadequately analysed. Furthermore, it is characterised by a widespread informality; and lacks an effective organisation, thereby leaving grey areas and gaps in information collation and dissemination. This is unlike the UK which is profusely reported, highly illumined and rigorously analysed which make for a greater effectiveness which promotes efficiency. It is also revealed that information challenges exist in the UK market despite its status as the world's most transparent market.

The findings mean that poor information flow in Nigeria's property market hinders market effectiveness and efficiency which together denote a lack of capacity to be globally competitive. Furthermore, the existence of information challenges in the UK market underscores the imperfection of property markets as well as the centrality of information to property market effectiveness.

The study makes the following recommendations for Nigeria's property market. First, creation of the right legislative background and other supporting features of enablement on the government side. Secondly, there is a need to increase the volume of information available in the market. This would require expanding the potential sources and channels of flow to reflect the UK pattern which is worthy of emulation as the world's most transparent.

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Influence of Entrepreneurial Orientation on the Profitability of Real Estate Firms in South West, Nigeria

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Abstract

The study examined the effect of Entrepreneurial Orientation (EO) on the profitability of real estate firms in the South West, Nigeria. This was with a view to determine the relationship that exists between the EO- dimensions and the profitability of real estate firms. Data were collected through questionnaire administration and analysed using both descriptive and inferential statistics. Finding of the study revealed that EO has a significant effect on profitability. The study concluded that there is a positive relationship between the EO and the profitability of real estate firms, and recommended that the utilisation of EO dimensions will lead to an improvement in the profitability of the real estate firms.

Keywords: Entrepreneurial orientation, EO- dimensions, firms performance, profitability, real estate firms

Introduction

In a competitive environment of today, the importance of Entrepreneurial Orientation (EO) on the performance of any business cannot be over emphasised. This is manifest in the rapid diffusion throughout the strategy literature (Carton, 2004). Wiklund and Shepherd (2005), Hakala (2011), noted that different strategic orientation of business such as EO, Market Orientation (MO), Customer Orientation (CO), Learning Orientation (LO) and Technology Orientation (TO) have gained considerable attention from both practicing managers and management scholars in which

EO is identified as a key predictor for organisational success as well as a factor that lead to higher performances. It is further argued that firms that possess higher levels of EO will perform better than those with the lower level of EO (Wiklund & Shepherd, 2005; Rhodes, Hung, Lok, Lien & Wu, 2008; Rauch, Wiklund, Lumpkin, & Frese, 2009). Therefore, the investors need to be entrepreneurial by incorporating EO into their practice, in order to survive and successfully compete, especially within fast-changing industries (Carton, 2004).

EO is a construct that has received much scholarly attention within the field of entrepreneurial literature and strategic management for the past two decades (Rauch *et al.*, 2009; Miller, 2011). Lumpkin and Dess, (2001) defined EO as the strategy-making process that provides organisation with a basis for entrepreneurial decisions and actions. The entrepreneur is the decision-maker in the business that seeks, for the opportunity and undertakes risk. It has also been defined in different ways by scholars, but generally seeks to capture an organisational decision-making proclivity to engage in new, innovative, and entrepreneurial activities (Covin & Wales, 2012). Such a proclivity is often beneficial for organisations operating in capital-intensive businesses in the for-profit arena such as real estate, where continual entrepreneurial principles are required to achieve and sustain a competitive advantage. EO reflects the behaviour of entrepreneurs such as innovativeness, pro-activeness, competitive aggressiveness, risk-taking, and autonomy (Rauch *et al.*, 2009). The entrepreneurs have to be innovative while involving innovation of products, services, and process; need to be more proactive, be risk-oriented, competitive aggressive to overcoming a threat in a competitive market place and bringing forth a business vision from inception to completion.

Studies on EO have focused on other issues, for instance, Balan and Lindsay (2010) innovation capability, entrepreneurial orientation and performance in hotels; Olaniran (2016) firms in the Nigerian Stock Exchange; Ndungu (2014) information security and firms' performance; Olowofeso and Ale (2019) EO and performance of hospitality industry; Olubiyi, Egwakhe, Amos and Ajayi (2019) firm profitability in Lagos, Nigeria. Unfortunately, the effect to extend this EO-performance relation to the real estate business is still low. This study made great contributions towards the understanding of EO and the multidimensional nature of the construct in other sectors such as real estate. The study contributed to the research gap on EO by analysing the effect of the EO dimension on the profitability of real estate firms in South West, Nigeria.

Literature Review

Entrepreneurial Orientation (EO)

Entrepreneurial orientation can be described as a process by which organisation adopt a new method or opportunities and take responsibility to affect a change of the firms (Morris *et al.*, 1996). It can also be defined as a strategy adopted by the firm in other to gain a competitive advantage over other firms (Rauch *et al.*, 2009). EO of a firm is considered to be a good measure to explore opportunities in the market (Zahra & Garvis, 2000). According to Rauch *et al.*, (2009) a firm can be referred to as an entrepreneurial firm when it offers products and services above average into a new market. In the literature, EO of a firm consists of five dimensions; innovativeness, pro-activeness, competitive aggressiveness, risk-taking, and autonomy (Lumping & Dess, 1996). These five EO-dimensions were used in this study.

Innovativeness is referring to as the most important key component of entrepreneurship. It reflects the willingness to support creativity in introducing new products/ services, and novelty in developing a new product (Lumping & Dess, 1996). Pro-activeness is defined as a way of anticipating future demand and opportunities in the market. Firms can be proactive by seeking new opportunities and participating in emerging markets by introducing new products and brands before their competitors (Venkatraman, 1989). Firms that respond to market changes

instantly perform better than their rivals and they become leaders of the industry with opportunities they find before their rivals (Hughes & Morgan, 2007). The propensity of a firm to intensely change its competitors and achieve entry or improve position in the market place, that is, to outperform industry rivals is known as competitive aggressive (Lumpkin & Dess 1996). The reflection of activities of entrepreneurial firms such as incurring a heavy debt of making large resources commitment, in the interest of obtaining high returns by seizing opportunities in the marketplace is known as risk-taking propensity (Lumpkin & Dess, 1996). This is a crucial factor that differentiates risk-taking from others because it can create losses and inconsistencies in the performance (Morris & Kuratko, 2002). It is the behavioural dimension of an EO along which opportunity is pursued (Lumpkin & Dess, 1996). Autonomy is an independent action by an individual or a term focused on creating a business concept and carrying it through to completion. According to Mintzberg and Waters (1985), entrepreneurs are strong leaders because their decision-making processes require decisive and risky actions, so entrepreneur autonomy is related to freedom of entrepreneurs, free actions, and independent decision making (Lumpkin & Dess, 1996).

Profitability of the firm

Profitability is defined as the ratio of measure of the performance of the firm. This is the firm's ability to generate earnings for a certain period. According to Farah and Nina (2016), it helps the managers to develop an effective profitability strategy for the firms. For any profit-oriented firm to survive and maximizing its goal of business, there is need for effective profitability strategy which is the key issue for business survival (Ambad & Wahab, 2013; Žur, 2013; Mule, Mukras & Nzioka, 2015; Farah & Nina, 2016; Neneh, Van- zyl & Van- Noordwyk, 2016). Therefore, to achieve higher profitability, the manager must put in place a strategy that will fit into today rapidly changing business environment As mentioned above, in this study, the dependent variable, real estate performance, as measured by performance indicators (profitability) using subjective perceptions of the manager (Lopez- Gamero *et al.*, 2009). This system was employed in the study because all the managers of the firms investigated are private firms and their owners are not obligated to give objective data of their firms to the research team. As a result, subjective measures became an acceptable substitute.

Entrepreneurial orientation and profitability of the firms

EO a found to be closely associated with the profitability of any business and considered an important component of successful organisaiton (Zahra & Garris, 2000; Autonic & Hisrich, 2001; Wiklund & Shephered, 2005). Wales, Gupta, and Mousa (2011) argued that EOs effect on firm performance in terms of growth and profitability, especially in the hostile environmental conditions. EO was considered an important strategy in the process of improving the performance of the firms and a catalyst for the manager to act entrepreneurially (Okangi, 2019). Okangi (2019) argued that EO- dimension innovativeness and risk-taking have both significant and positive effect on the profitability of the firms while proactiveness has a negative and significant effect on the profitability of the firms. According to disruptive innovation theory, a new market and value proposition is as a result of the innovativeness of the firm. Deploying a destructive product innovation will lead to an improvement in the profitability of the firm (Dwyer & Ofori, 2010; Slaughter. 2010; Wang & Altinary, 2012).

A firm needs to be innovative in order to improve the quality of its products, services, and position in the market (Lim *et al.*, Setiawan, Erdogan & Ogunlana, 2012). Firms that put more effort into innovation will perform better than those that did not put more effort into innovation in terms of cost efficiency and increase productivity. (Lim *et al.*, 2010; Ketchen & Short, 2012).

Proactiveness will enable the firm to pursue opportunities and achieve more profit than those that are not proactive in the market (Lumpkin & Dess, 1996). This is because 'the higher the level of proactive in the business the higher the level of profit realised in such a business' (Casillas & Moreno, 2010). The firm's ability in forecasting future market needs, provides that firm with an avenue of undergoing required changes that can help it in taking advantage of rivals in the market (Morgan & Strong, 2003). Pro-activeness "equips firms with the ability to respond positively to market opportunities" (Kreiser *et al.*, 2002). The positive effects of pro-activeness on the profitability of firms were also exhibited by Fairoz *et al.*, (2019), when they measure the link that exists between the dimensions of EO and firm performance. Likewise, Kasumawardhani, McCarthy and Perera (2009), also found a positive and significant impact of pro-activeness on the profitability of the firms. Another study by Farja, Gimmon and Greenberg (2016) indicated that the higher the level of pro-activeness in a company, the higher the level of growth and profit realized in such companies.

Empirical findings show a positive and significant relationship between the risk-taking and profitability of the firms (Wiklund & Shepherd, 2005; Kasumawardhani *et al.*, 2009; Casillas & Moreno, 2010; Wang & Yen, 2012; Peng, 2015; Gibb & Haar, 2019). Firms with higher risk profile experience, higher financial rewards (Gibb & Harr, 2010). Firms that are able to commit significant resources to projects with high risks has the advantage of realizing higher outputs in terms of incomes generated (Ambad & Wahab, 2013). However, some findings were unable to find a significant positive association between EO and profitability of the firm (George *et al.*, 2001; Tang & Koveos, 2004; Zainol & Daud, 2011; Olowofeso, 2020). Interestingly, some contradicting results have been obtained in studies performed by Soininen (2012), in which they found EO as an individual construct did not positively relate to profitability. Dyzomonda and Masocha (2018) also show that profitability growth was not found to be significantly and positively related to EO. Due to the inconsistency in the literature on the effect of EO on the profitability of firms, the study hypothesis as follows:

H₀₁ There is no significant effect of EO on the profitability of real estate firms in South West, Nigeria.

Methodology

The method employed in the study was a survey design and the population comprised of 967 registered Real Estate Development Companies (REDC) and 464 registered and Practicing Estate Surveyors and Valuers (PESV) in the South West, Nigeria, making a total of 1431 respondents. A sample size of 501 was determined using census approach for the firms in Ogun, Ondo, Ekiti, Oyo and Osun States. This was because the sample population of these states were within a manageable size and could easily be reached. They were all taken as part of the sample for the study, because of the large number of population of REDC and PESV in Lagos State, the study adopted Kothari (2004) formula to determine the sample size of the respondents in Lagos State. A structured questionnaire designed in the Likert scale method was adapted, validated and used to collect data for the study. Out of 501 copies of the questionnaire distributed 392 copies were returned for the analysis. The reliability test of the variables was determined using Cronbach's alpha and all the variables yielded above 0.7. Data were analyzed using both descriptive and inferential statistics.

Table 1: Questionnaires Distributed and Returned

State	Distributed Questionnaires for REDC	Returned Questionnaires for REDC	Distributed Questionnaires for PESV	Returned Questionnaires for PESV	Total Distributed Questionnaires	Total Returned questionnaires	(%)
Lagos	264	221	106	83	370	304	82
Ogun	5	4	12	10	17	14	83
Ondo	6	3	29	22	35	25	71
Ekiti	5	2	6	4	11	6	55
Oyo	18	10	29	19	47	29	62
Osun	6	3	15	11	21	14	67
Total	304	243	197	149	501	392	78

Source: Field Survey, 2020

Reliability of the Research Instrument

Reliability refers to the consistency of scores that the same person would obtain if they were to take the test at the other times or under different conditions (Kothari, 2004). In order to ensure the internal consistency of the instrument and extent to which the measurement is free from viable errors, a reliability test was conducted on the instruments using Cronbach's alpha. When the variables were examined, the overall result of analysis indicated that the Cronbach's alpha of the construct ranges from 0.722 to 0.899. Therefore, none of the items/variables were dropped from the study. Pallant (2011), and Hair, Hult, Ringle and Sarstedt (2010), asserted that Cronbach's Alpha greater than 0.7 can be accepted for analysis. The reliability result of this study has revealed that the variables of this research as listed in Table 2 are appropriate and used in this study.

Table 2: Reliability Test

Construct	Overall Cronbach's alpha
Innovativeness	0.869
Pro-activeness	0.847
Competitive aggressiveness	0.722
Risk taking	0.838
Autonomy	0.818
Performance	0.890

Source: Field Survey, 2020

Model Specification

In this study, real estate firms' performance was measured with profitability using the constructs in the independent variables. Innovativeness was measured using nine constructs, pro-activeness was measured using four constructs, competitive aggressiveness was measured using four constructs, while risk-taking was measured using five constructs and autonomy was measured using five constructs. The details of the variables used in the model were shown in the model specification below. The effects of EO on performance were examined on the basis of the following linear model.

$$Y = a + \beta_1 \text{INOV} + \beta_2 \text{PROV} + \beta_3 \text{COMA} + \beta_4 \text{RISK} + \beta_5 \text{AUTO} + \epsilon_i \quad (1)$$

Where a = constant,

Y is the performance of real estate firms (Profitability) and

INOV = Innovativeness, PROV = Pro-activeness, COMA = Competitive aggressiveness, RISK = Risk-taking, AUTO = Autonomy, ϵ_i = is the error term.

Result and Discussion of the Findings

To determine the effective profitability of the firms, a multiple regression model for the independent and dependent variables was developed. The independent variables are the five EO-dimensions of innovativeness, pro-activeness, competitive aggressiveness, risk-taking, and autonomy while the dependent variable was the profitability of the real estate firms. The correlation (R) value of the entire EO (all the five independent variables) and profitability was 0.794. This indicates a positive relationship between the variables. This implies that when the EO variables increase, the profitability of the firms will also increase, and vice versa. The R-square (which indicates the extent to which profitability was explained by the EO) was 0.630. This shows that 63% of the profitability was explained by the EO variables: The analysis of the variance indicates that the overall model was statistically significant $P < 0.05$. Hence H_{01} which says; there is no significant effects of EO on the profitability of real estate firms in South West, Nigeria is rejected. This implies that the adoption of EO – dimensions by the real estate firms will lead to an increase in the profitability of the firms. The study is in line with the study of Zur (2013), and Neneh *et al.*, (2016), that there is a relationship between the EO and the profitability of the business but disagree with the finding of Dzomonda and Masocha (2018), who find that there is no significant relationship between EO and profitability. Table 3, shows the coefficient value for all the independent variables, the results revealed that innovativeness has a positive beta coefficient of 0.731. Indicates that holding all other things constant (*ceteris paramus*), profitability would increase by 73.1% when there is an increase in the innovativeness by 100% this was statistically significant at $P < 0.05$. Innovativeness can help firms to pursue “new opportunities” (Wang & Altinay, 2012; Wiklund & Shepherd, 2005) and contributes significantly to the success of the firms (Gambatese & Hallowell, 2010, Lim *et al.*, 2010; Slaughter, 2010). The coefficient value for pro-activeness was 0.203, indicating that 20.3% increase in profitability will also lead to an increase in the pro-activeness by 100%. This was also statistically significant at $P = 0.004$. Competitive aggressiveness has a negative coefficient value of -0.331 and significant at a value of $P = 0.000$. Indicating that 0.331 increases in the independent variables will lead to decreases in profitability. The result of risk-taking also has a coefficient value of 0.026 and a significant value of $P = 0.722$, indicating that 2.6% increase in profitability will also lead to an increase in risk-taking by 100. Autonomy has a coefficient value of -0.098 and a significant value of $P = 0.126$ and an indication that the profitability of the firm would increase by 2.6% when the risk-taking was increased by 100.

Table 3: Results of Regression Analysis: Effect of EO on Profitability

Model	Unstandardized Coefficients		T	Sig.
	B	Std. Error		
(Constant)	1.910	0.260	7.340	0.000
INOV	0.731***	0.096	7.645	0.000
PROV	0.203***	0.069	2.935	0.004
COMA	-0.331***	0.070	-4.704	0.000
RISK	0.026	0.073	0.356	0.722

AUTO	-0.098	0.064	-1.534	0.126
<i>Model indices</i>				
R	0.794			
R ²	0.630			
Adjusted R ²	0.624			
F-Statistic	39.206			
P- value	0.000			

*** significant at 1% level

Source: Field Survey, 2020

The output in the regression in Table 3 represents the linear regression to establish the impact of EO on real estate firms in the study areas. The regression equation was therefore

$$Y = a + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 + \epsilon_i \quad (2)$$

when the values from the regression Table 3 are computed, the model can be written as;

$$Y = a + \beta_1\text{INOV} + \beta_2\text{PROV} + \beta_3\text{COMM} + \beta_4\text{RISK} + \beta_5\text{AUTO}.$$

$$\text{Profitability} = 1.910 + 0.731(\text{INOV}) + 0.203(\text{PROV}) - 0.331(\text{COMP}) + 0.026(\text{RISK}) - 0.098(\text{AUTO}). \quad (3)$$

Discussion

The position of the market and quality of its products and services, cost efficiency and productivity in the firms can be improved with the adoption of innovativeness (Lim *et al.*, 2010; Ketchen & Short, 2012; Setiawan *et al.*, 2012). In general, innovativeness influences the performance of the firms (Gambatese & Hallowell, 2010; Lim *et al.*, 2010; Slaughter, 2010; Ketchen & Short, 2012; Setiawan *et al.*, 2012). The significant and positive relationship between innovativeness and firms performance was also indicated in several studies such as Lee and Lim (2009), Sasillas and Moreno (2010), Wang, Ahmad and Subari (2010), Kraus *et al.*, (2012), Wang and Yen (2012), and Kraus (2013). A firm that adopts innovativeness was found to perform better than those that did not adopt innovativeness (Wiklund & Shepherd, 2005; Rauch *et al.*, 2009; Kraus *et al.*, 2012). Firms also need to be proactive in pursuing opportunities in the market. The more proactive the firm is in capturing new business opportunities, the greater the profitability rates of the firm (Lumpkin & Dess, 1996; Casillas & Moreno, 2010). Firms need to be proactive to undergo changes that can help to take advantage over his competitors in the market (Morgan & Strong, 2003). Pro-activeness “equips firms with the ability to respond positively to market opportunities” (Lumpkin & Dess, 1996; Kreiser *et al.*, 2002). Consequently, pro-activeness can improve the growth of a firm developing a new business model (Zahra & Garvis, 2000). Fairouz *et al.*, (2010) exhibited a positive effect of proactiveness on the profitability of firms. Likewise, Kasumawardhani *et al.*, (2009) and Olubiyi *et al.*, (2019) also found a significant and positive impact of proactiveness on the profitability of the firms. Another study Farja *et al.*, (2016), indicated that the higher the level of pro-activeness in business, the higher the level of profit was realized in such a business. The result of the study also concurs to that of Arsed (2013), who discovered that innovativeness, pro-activeness and competitive aggressive has significant with the profitability of the business. Arshed observed that these variables are good predictors that affect the performance of the firms. The finding of the result shows that risk-taking did not significant with the profitability of the firms. This is in agreement with the study of Casillas and Moreno (2010), and Olowofeso (2020), who did not confirm that risk-taking positively influences the profitability of the business. But the finding disagrees with other studies such as Casillas and

Moreno (2010), Gibb and Haar (2010), Wang and Yen (2012), Jalali *et al.*, (2014), Peng (2015), and Olubiyi *et al.*, (2019) who found a significant and positive relation between risk-taking and profitability. Based on the principle of risk-high return, firms that have a high appetite for high risk-high return projects are likely to be profitable by tapping into markets that are less congested by competitors.

Findings from the previous studies show that the intensity of risk taken by firms is associated with outcomes. For instance, Wiklund and Shepherd (2005), Kasumawardhani *et al.*, (2009), Casillas and Moreno (2010), Wang and Yen (2012), Peng (2015), Gibb and Haar (2019) justify a positive and significant relationship between the effect of risk-taking and profitability of the firms that can commit significant resources to projects with high risks has advantage of realizing higher outputs in terms of incomes generated (Ambad & Wahab, 2013). The finding of the result shows that autonomy did not significant with the profitability of the firms. This is in agreement with the study of Olubiyi *et al.*, (2019) who found no significant relationship between the autonomy and profitability of SME.

The results revealed that innovativeness, pro-activeness and competitive aggressiveness have a significant relationship with the profitability of the firms. Innovativeness and pro-activeness have a significant and positive relationship with the profitability of real estate firms. This implies that both the creative ideas and market innovation supported and embraced by real estate firms in South West Nigeria were yielding the desired result in terms of profitability. Considering pro-activeness, awareness of market signals and imitation and exploitation of new opportunities among real estate firms in the study area has a significant effect on the profitability of the firms. Competitive aggressiveness has a negative and significant relationship with the profitability of the business. However, risk-taking and autonomy have no significant relation to the profitability of the business. This suggests that there was no improvement in the profitability of the firms when these variables were applied. Risk-taking propensity exhibited by the firm in South West Nigeria shows no influence on the success of the firms. Similarly, despite the freedom to work for employees to act alone in the best interest of the firms, there was no improvement in profitability.

Conclusion and Recommendations

A positive relationship between the EO dimensions and profitability of the real estate firms was revealed in the study area with $R = 0.794$ and R^2 of 0.630. The overall model was statistically significant at $P < 0.05$, three of the independent variables (innovativeness, pro-activeness and risk-taking) have a positive effect on the dependent variable while competitive aggressiveness and autonomy have a negative effect on the dependent variable. Based on the findings the study recommends that the utilization of EO dimensions will lead to improved performance of the real estate firms. Therefore, it is important for the government and the real estate investor to develop internal strategic measures that will promote the EO dimension in the management practices. The government and policymakers need to come up with a programme that could be tailored to helping the real estate firm and integrate EO strategic behaviour in their management practices. Future research of this nature should employ longitudinal research design which will allow more periods and opportunities to cover more geo-political zone in Nigeria, thereby achieving more robust data and findings for the study.

Limitation of the Study

The study has led to key findings on the influence of EO on the profitability of real estate firms in the study area; however, the study is without some limitations that need to be addressed in the future. The study is survey research, not longitudinal research; it only covered one geopolitical zone in the country (Nigeria).

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A Conceptual Overview of E-Sports Tourism as a New Trend in the Tourism Industry

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Abstract

The tourism industry is in a relationship with the sports discipline as well as with many other disciplines. Sports have been an important source of motivation for people to participate in tourism movements throughout history. As a result of the development of the internet and the developments in the digital age, the concept of traditional sports has also been affected by this development and the concept of e-Sports (electronic sports), which has been frequently encountered in recent years, has come into our lives. Events including e-Sports matches are watched worldwide today and reach large audiences. The mobility created by the participants from both domestic and abroad to these events also develops the tourism sector by contributing mainly to accommodation, catering, travel and transportation services. This dynamism in the e-Sports market and activities creates a supply source for alternative tourism potential in terms of the tourism industry, and e-Sports tourism is considered to be important in terms of product diversity. The purpose of this article is to examine and introduce the concept of e-Sports, which we come across recently, as a new tourism trend, by technology and computer, which are the outputs of the 21st century.

Keywords: Tourism, e-Sports, e-Sports tourism

Introduction

Tourism and sports are two of the important industries associated with more than one sector. Sports events are an important element of the marketing mix for tourist destinations. Sports-based tourist travel and vacation form the basis of sports tourism. In previous years, sports were considered as an element that supports the product in tourism, but today it is the main starting point of touristic visits. There are two types of tourists participating in sports tourism. The first of these is sports participation travels (those who travel to participate in sports, recreation, leisure

activities) and the second is sports audience travel (those who travel for the purpose of watching sports, recreation, leisure activities) (Bayram, 2018:18). Today, technological developments have shown a rapid change and development, resulting in the emergence of some new developments in the field of sports as in every field. One of these developments in the field of sports is electronic sports made online via computers. E-sports activities and events have taken their place as one of the attractions of the tourism industry as well as actors, viewers, event organizers, sponsors and producers, with a large income and promotional potential.

Similar to touristic participation for any sports organization, esports events come to the fore as a tourism product and a tourist attraction. Considering the increasing number of e-Sports organizations with international participation, which are organized more and more widely around the world, the tourism potential of e-Sports activities can be better understood. National or international e-Sports tournaments are often held for a few days. Teams, players, coaches, other staff, etc. to the places where the tournaments take place. participates together. Considering that there are many teams participating in tournaments, these teams contribute significantly to tourism for the destination where the organization takes place. During the tournament, e-Sports fans also travel to the places where the tournament will be held in order to support their players or teams (Aktuna and Ünlüönen, 2017:7). Therefore, it is seen that e-Sports activities are in cooperation with tourism by creating a touristic activity source for both players and viewers. In line with these developments, e-Sports activities were examined as a tourism product in this study and e-Sports tourism was handled with its conceptual dimensions.

E-SPORT

Sports today have become an integral part of the global entertainment industry by modernizing as time has passed. While technology has helped the development of sport, it has also enabled the addition of new branches to sports. With the development of internet and computer hardware technologies, a new concept related to sports, e-Sports has emerged (Kartal, 2020:48). Electronic sports also have uses in the form of esports, eSports and e-Sports. E-sports category; it includes games played on platforms such as computers, consoles and smartphones. (Kocaömer, 2018:6). Thanks to the developing technology industry, people have become a part of technology. The technology industry, on the other hand, is making the necessary breakthroughs and making various arrangements in a way that people can play an interactive role. This industry that has developed itself has caused the disappearance of stereotypes and traditional lines (Evren et al. 2019:1424). The most important element that distinguishes the concept of e-Sports from the traditional concept of sports is that it is played online or offline through an electronic device in a completely digital space. In addition, e-Sports does not require large financial resources in terms of facilities/equipment compared to traditional sports. It is a new generation sport preferred by young masses with its ability to perform this sport in every region of the world and its competitive features individually or as a team. It shows similar features as well as differences between traditional sports and e-Sports. Fans, players, coaches, clubs, tournaments, leagues, brands and sponsorships that exist in traditional sports also take place in e-Sports. Games, which are the products of the transition to the digital society, have shifted to the virtual and revealed the phenomenon of e-Sports (Kocaömer, 2018:25).

Whether e-Sports is a sport in the world with the view that it does not involve a physical activity is still a controversial issue. However, contrary to these views, e-Sports players use their reflexes, brain functions and hand-eye coordination during the game (Witkowski 2012: 359). In addition, e-Sports has been accepted as physical activity because it usually involves moving fingers on a keyboard and using a mouse (Filchenko, 2018: 3). Sport is not only about physical strength, but also includes showing a good performance (Argan, 2004:162).

Recently, various definitions have been made about e-Sports, whose popularity has increased day by day and has managed to attract the attention of many people in the industrial and academic field. According to Argan et al. (2006), electronic sports is a sport in which two people from one side of the world to the other can meet and play games via the internet or people from all over the world, both physically and mentally, is a sport that encompasses much more than most sports require. The e-Sports Association of the South Korean country, which is defined as the capital of e-Sports, defined e-Sports as "recreational activity that includes competition by using mental and physical abilities in a virtual online environment similar to reality" (Albayrak 2019:6). On the other hand, the International E-Sports Federation (IeSF), recognized by the Asian Olympic Council (OCA), defines e-Sports as "a competitive sport performed in a virtual environment in which physical and mental skills are used to create victory conditions with generally accepted rules" (www.ie-sf.org). E-sports also refers to the organization of competitions and championships in various game branches in electronic environment, individually and in groups. The difference of electronic sports from traditional sports matches is that the struggle takes place in an electronic and virtual environment instead of a physical environment (Hollist, 2015:826). According to Hamari and Sjöblom (2017), esports is a form of sports in which the primary aspects of the sport are facilitated by electronic systems and mediate both the inputs of the players and teams and the outputs of the e-Sports system with human-computer interfaces. Although it is also called electronic game, cyber game, online game, the situation that is basically expressed is the sports activity carried out in electronic form. Although e-Sports is a newly emerging concept, it is an organized sport that has an increasing number of players and followers, as it includes many physical reflexes and different mental skills (Bayram, 2018: 19).

Another noteworthy issue about e-Sports is the generations or age groups of the participants. Unlike other generations who prefer to socialize via the internet, the participants of the group called Generation Y and the millennium or the generation Z, which is called the internet generation, can use iPads, laptops, game consoles etc. instead of toys. It is a community that prefers digital tools and grows with technology. While this generation takes the place of the X generation; It will be possible to say that the understanding of travel, leisure time and vacation has also changed today. It is seen that the e-Sports trend is a unique opportunity to catch the Z generation in terms of the tourism industry and to create tourism diversity as an alternative (Gül et al., 2017:107).

E-sports, which is considered to be included in the Olympic games by the International Olympic Committee (IOC) and is expected to be accepted as a medal sport in Asia 2024, is growing day by day (Albayrak, 2019:6). Thanks to the games that attract the attention of millions of people, the communication, sports and technology industries are indirectly new partnerships they have established, purchases from many different fields and the e-Sports industry strengthens and develops every year. However, due to the Covid-19 pandemic, which deeply affects all humanity and many industries in the world, global e-Sports revenues, which are expected to be 1.1 billion dollars in 2020, remained at the level of 950.3 million dollars. Despite this, e-Sports revenues are expected to increase by 15% until 2023, to reach 1.6 billion dollars. In addition, the total number of viewers of 443 million in 2019 increased by 11.7% in 2020, reaching 495 million viewers. The total number of viewers estimated for 2023 is 646 million (Newzoo 2020 Global Esports Market Report).

E-sports under the Federation first Turkey Emerging Sports Sector in Turkey " digital game " as a sport by the name TC was part of the Youth and Sports Ministry of Finance but due to Sports General Directorate with the approval of the ministry in 2018 in this sport federations Turkey converted into e-Sports Federation (TESFED) Presidency was established (the

www.tesfed.gov.tr). The number of smartphone users in our country has exceeded 40 million. The number of people playing on the phone at least once a day increased to 65% in 2020. The number of e-Sports players has also increased by 30% compared to 2019 (www.gamefactory.gs). Also spend 58 minutes a day using the game console users in Turkey (www.wearesocial.com). In 2020, mobile game revenues constitute 49% of the global market. The total revenue from digital games in our country is \$ 878.8 million, and the number of players and fans in the e-Sports ecosystem is at least 7 million. Turkey also ranks 18th in the world in the digital games market (T. C Youth and Sports Ministry of e-Sports Report, 2018). In Turkey, Galatasaray, Besiktas and Fenerbahce sports club created their own electronic sports team. These sports clubs, which started to operate in the field of electronic sports, even started to transfer players from abroad. This situation once again shows how serious electronic sports are (Aktuna and Ünlüönen, 2017: 6).

E-SPORT TOURISM

The phenomenon of sports tourism can be characterized as the intersection of sports marketing and tourism marketing. People who travel to attend or watch a sports event are considered as sports tourists. The reason for this is that the place where sports organizations will take place has a "travel" result (Argan, 2004: 162). In the light of this information, e-Sports tourism; It is possible to define it as a type of tourism based on the realization of electronic sports activities in a designated country and destination in the form of tournaments, participation of players, viewers, relevant institutions and organizations in these tournaments, use of various touristic activities such as eating, drinking, accommodation and entertainment (Bayram, 2018: 20) .

Sports tourism, as one of the alternative tourism types, is included in the tourism literature as a reflection of thousands of sports organizations (Olympic games, World Cup etc.) organized every year in the world. However, there are very few scientific studies examining the relationship between tourism and e-Sports in our country. Aktuna and Ünlüönen (2017) revealed the potential of e-Sports tourism, which they discussed under the title of sports tourism, in terms of product diversity in their research. Within the scope of Bayram (2018) planned behavior theory, a study was carried out on how effective behavioral attitude and control are on the travel intentions of participants in e-Sports activities. Yenişehirli et al. (2018), on the other hand, considered e-Sports activities as alternative tourism products and conducted a research on the tourism potential of e-Sports by associating these activities with the tourism paradigm. Dilek (2019) discussed the relationship between these two sectors by examining e-Sports activities within the tourism paradigm as a growing market.

E-sports has started to be seen as a new travel motivation for the tourism industry today. In addition, e-Sports is considered within the scope of special interest tourism as an important recreational activity (Yenişehirli et al., 2018: 342). One of the best examples in this context is e-Sports festivals. Hosted by England, the *Insomnia* and *EPIC 23* festivals are festivals that last a few days with the participation of many audiences from different parts of the world. These festivals include many touristic services such as accommodation services, restaurants, after-game entertainment programs and musical shows (Bayram, 2018: 21). It clearly shows how strong the relationship of e-Sports, which includes similar touristic activities, with tourism is.

There are many reasons why e-Sports events are attractive. Viewers get the chance to watch the world's best e-Sports players contest and meet their favorite players and share their passions. For this reason, fans are eager to travel for miles to attend big events and watch the games on site (Dilek, 2019:14). E-sports tourists (especially the Z generation) come together at the destinations where the tournaments take place and experience a unique and unforgettable experience. This trend has created e-Sports tourism, which is considered a new type of tourism. As a growing

market day by day, e-Sports activities constitute an important center of attraction for the tourism industry (Sariođlan and Bađlama, 2020: 244).

It stands out as a very suitable alternative in terms of making the name of the city where e-Sports tournaments are held known and attracting tourists to that region. E-sports organizations also benefit from the promotion and image of the countries and regions where the tournaments take place as the main motivation factor, as in the traditional Olympic games or the conduct of tourism activities for a football organization. Countries and destinations that offer e-Sports environments by fulfilling the organization requirements with high-cost investments stand out in terms of competition in meeting the demands of e-Sports tourists. Accordingly, creating a good e-Sports environment for players and viewers, gaining a certain advantage in competition for the image of the destination where the events take place, and maintaining the continuity of their demands is an issue that should be considered important by countries (Çetin and Kozak, 2019: 966). E-sports provides great inputs to the economies of developed countries in terms of tourism, strengthens their existing image and is seen as a significant promotion tool. It is possible to say that some e-Sports tournaments such as FIFA World Cup and SuperBowl have economic benefits to the region with millions of participants on the internet, as well as promoting the culture of the region, increasing repeat visits, and helping to branding the destination (Bayram, 2018: 21).

CONCLUSION AND RECOMMENDATIONS

The increasing speed of technology day by day is the most important factor that spreads the use of electronic devices and computers in daily life. This situation has led to an increase in the demand for use of electronic-based activities. From the arcade to the game console and from the desktop computer to the interactive multiplayer network, this explosion of interest in digital games has been driven by access to the internet, which allows all activities such as downloading and updating software, making online payments, or finding and interacting with other players online. This intense interest in digital games has enabled an e-Sports industry to compete with other sectors (music, cinema, entertainment) and even exceed the revenues of other sectors.

One of the important ways for the development of the tourism industry is the creation and development of alternative tourism movements and tourism products. E-sports formation should also be considered as a tourism product. In this context, e-Sports tourism includes data that support this understanding with its economic inputs and direct and indirect contributions to tourism in the world in recent years. E-sports is taking firm steps towards becoming a truly viable and profitable market as a niche tourism attraction center (Dilek, as cited in Agius 2015, 2019:14).

E-sports tourism is important in terms of differentiation of the tourist profile, which is mostly similar for our country. In order to attract e-Sports tourists to our country, international organizations, which are examples in the world, can be organized with the sponsorship support of giant companies run at ministerial level in our big cities (especially İstanbul, Ankara, Izmir, Antalya, etc.). These organizations can provide a competitive advantage against countries competing in tourism in terms of country promotion and image. In addition, if e-Sports tourists benefit from accommodation, travel, food and beverage and transportation services in the cities and regions where the organizations they participate in, tourism income can be provided directly to the country.

The e-Sports trend, which has already developed in the world and continues to develop rapidly, has started to gain popularity in our country in recent years. Therefore, in the academic field, there are almost no studies in which e-Sports and tourism are handled and analyzed together. This study discusses this new tourism trend, which has recently become a subject in the literature, in a conceptual manner. However, it is predicted that tourism studies to be carried out with e-Sports participants for the development of e-Sports tourism will provide more detailed data

about this concept. It is thought that this study will guide the researches about e-Sports and tourism.

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