SELLING ONESELF: THE SOCIAL CONSTRUCTION OF REAL ESTATE AGENT–CLIENT/CUSTOMER RELATIONSHIPS

by

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ABSTRACT

SELLING ONESELF: THE SOCIAL CONSTRUCTION OF REAL ESTATE AGENT-CLIENT/CUSTOMER RELATIONSHIPS

This thesis examines relationships between real estate agents and their clients and customers in process terms. A symbolic interactionist approach consistent with the Chicago school was utilized. The principal means of gathering the data were taped interviews with 93 volunteers (vendors, purchasers and real estate agents) who were asked to recall their experiences with buying and selling homes as well as with each other. A loosely structured questionnaire format which was adjusted according to the experiences of the informants was utilized. Some data were also gathered through participant observation by the researcher while working as a real estate salesperson, prior to and during the researcher period.

The study began with a string of interviews in the Kitchener-Waterloo, Ontario area in September, 1992, continuing on through the spring of 1993. A majority of the interviews were conducted at that time. A second wave of interviews was conducted in the Brantford, Ontario area during the winter and spring of 1997.

The career contingency model provided the framework for this project. Its utilization made it possible to conceptualize the various stages of involvement: initial involvements, continuities, discontinuities, and reinvolvements, and to follow the natural history of these relationships. In doing so we looked at: how contact was made; how agents presented themselves; what prospects liked or didn't like about them; the reservations prospects held for working with an agent; the strategies agents utilized to neutralize reservations; agent strategies for fostering commitment and building relationships; when and how relationships were ended; agent strategies for making deals; and agent strategies for achieving long-term commitment, hence reinvolvement, after closing the deal. A central theme affecting the relationship at all stages was trust. The ways in which trust was generated and lost was at the core of this study.

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I'd like to thank my supervisor, Keith Warriner, for his commitment to me as a student. Keith stuck with me through some tough times on my route to completing the requirements of the Ph.D. programme, and for that I will always be grateful. In terms of my thesis, he was always helpful in suggesting ways in which it could be better organized and improved. Most importantly, he kept me on track by reminding me that it was sociological research as opposed to the more practical study of the real estate marketplace. While he was always coming up with suggestions, he left the implementation and the writing of the thesis to me, which, now that it is completed, is a real confidence builder.

I would also like to express my gratitude to my mentor, Bob Prus, for it is Bob who taught me almost everything I know about the symbolic interactionist approach. It was Bob who also taught me how to write. He was never short on ideas or suggestions for new directions in terms of this research project. Most importantly, his intense enthusiasm for doing research, and his commitment to symbolic interactionism and the ethnographic approach finally rubbed off on me. I, too, share his enthusiasm.

I would also like to indicate my appreciation to Audrey Wipper. I'll never forget her enthusiastic response to my asking her if she would consider becoming a member of my committee. Fearing that she would decline, you can imagine my response when she indicated that she would be pleased. As a member of my committee, she has always been supportive. And in an academic environment where criticism often flourishes, it's nice to know she's in my camp.

Finally, I must acknowledge the vendors, purchasers and real estate agents who volunteered their time to provide me with the interview data on which this study is based. Without their cooperation, this study would not have been possible. I'm especially appreciative of the fact that so many real estate agents, aware that I was a competitor, were willing to show their trust in me by not only helping me with this study, but contacting other agents whom they thought could contribute something more, on my behalf.

DEDICATION

I would like to dedicate this thesis to my mother, Mary Roznaczuk, for if it were not for her support and fine care, I doubt whether I would have completed it. I would also like to thank my mother for pushing me at times when my drive seemed to be waning. If only I had my mother's determination, I would have completed this thesis a long, long time ago. Moreover, achieving something is only important if you can share that experience with someone else who is genuinely happy for you. That someone else is my mother. This thesis is for her.

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CHAPTER I

AN INTERACTIONIST APPROACH TO AGENT-CLIENT/CUSTOMER RELATIONSHIPS

Using the works of Simmel (1950) and Blumer (1969) as a basis, this study represents an interactionist analysis of the relationships between real estate agents and their buyers or sellers. Reflecting the premise that human behavior presents itself in behavioral "forms" that differ only in "content" (Simmel, 1950), this study will examine the processes by which vendors and purchasers initially become involved with real estate agents, and the concerns and experiences which lead to their continuing involvements or disinvolvements in working with particular agents.[1]

This project stems from my desire to learn about the kinds of things which vendors and purchasers find important about real estate agents in order for a working relationship to begin. Assuming that vendors and purchasers need to feel confident in the agents' willingness and ability to guide or represent them in the purchase or sale of a property, I wanted to know how "trusting the agent" is achieved, sustained, or lost over time. In order to do so, I interviewed vendors, purchasers, and real estate agents, to

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[1]For the purposes of this paper, the term "agent" will be used synonymously with its common usage in reference to "real estate salespersons." Within the real estate industry (and in legal terms), the term "agent" is reserved for the listing broker (real estate company which holds the listing). Periodically, the term "realtor" may appear. This is a registered word that can only be used by an active member of a real estate board affiliated with the Canadian Real Estate Association. The term "client" will be used in reference to vendors or sellers, only, as it is the vendor or seller who pays the commission to the real estate agent. These terms will be used interchangeably in this study. "Customers" are often referred to as purchasers or buyers, and these three terms will also be used interchangeably.

examine this process from the perspectives of all three parties. In addition, I interviewed people attempting to buy or sell homes, "privately," to see if they had any reservations about utilizing the services of real estate agents, and to find out when, and how, real estate agents might eventually come into play in the buying or selling process.

From my experiences as a part-time real estate salesperson while completing the doctoral program, it was apparent to me that many vendors and purchasers distrusted agents, making the commencement of relationships and/or ongoing involvements difficult. In some instances, vendors, particularly those trying to sell privately, not only distrusted agents, but viewed them with a great deal of contempt. Accusations that agents charge outrageous commissions, for the amount of work they do, are commonplace among private sellers. Prospective buyers often insist that agents try to push them into buying homes which they do not want.

Distrust also flows in the opposite direction. Agents suspect some vendors of trying to sell their homes, privately, behind their backs, while buyers may be viewed with even greater distaste. Some agents are reluctant to work extensively with buyers for fear they will either change their minds or buy through someone else.

It is commonplace in the real estate office to see agents angry, disappointed or upset due to losing a listing or a prospective buyer to another agent. Watching an expired listing come up on the computer as a new listing with someone else is a

gut-wrenching experience. Usually agents brood silently at their desks, although I've seen agents pacing about, restlessly, resentful that another agent landed the listing. I've also seen female agents sitting quietly at their desks wiping tears from their cheeks after learning that a prospect, with whom they had been working, had bought a home through someone else.

With these images in mind, I wanted to see how agents approached buyers and sellers, and how the various services they provided are viewed by buyers and sellers. I also wanted to examine agents' perspectives regarding the strategies they employed aimed at generating trust, neutralizing people's reservations for dealing with them, and maintaining their loyalty once a relationship was started. How agents accounted for the loss of clients or customers was also of interest to me. Given that some people expressed their allegiance to one agent, long after the sale, I wanted to find out what agents might have done to earn this kind of (long-term) commitment.

Since buying or selling a home may be the biggest financial transaction in which the average person is involved during their lifetime, choosing a real estate agent to represent them in these activities is likely to be of far greater importance than choosing salespeople to represent them in the purchase or sale of most other types of commodities. Choosing a stock broker or a financial adviser may be two more common exceptions. In fact, since many purchasers are limited in their buying to just a few stores or companies that carry the particular product they wish to purchase,

the choice of a salesperson from whom to buy is seldom a concern. Real estate agents, on the other hand, can sell any home that is listed through the multiple listing services of the real estate board to which they belong, regardless of the company which holds the listing. So choosing an agent to represent them in their buying or selling endeavors is, for many buyers and sellers, a pivotal concern. Given that agents negotiate offers of purchase and sale for those whom they represent, trusting an agent to work with their best interests in mind is problematic for many buyers and sellers. Agents stand to make significant gains by successfully representing them in this capacity. This may result in an environment where participants are particularly sensitive to the possibility of deception, or that agents may be putting their own interests first.

Much of the literature on residential real estate seems to support the contention that agents are frequently self-serving in their dealings with buyers and sellers (Angrist, 1984; Steacy, 1987; Lauer and Murray, 1989; Ruane, Cerulo and Gerson, 1994), or that agents lack competence (Lauer and Murray, 1989; Ruana, Cerulo and Gerson, 1994), or that they have a tendency to deceive buyers or sellers in order to make sales (House, 1977; Angrist, 1984; Steacy, 1987; Lauer and Murray, 1989; Ruane, Cerulo and Gerson, 1994).

None of these studies, however, focus on the processual nature of agent-client/customer relationships. House's (1977) study of a single real estate firm is primarily an examination of agents' real

estate activities, their interactions with other agents, and their careers. Lauer and Murray (1989) take as their focus the underhanded nature of agents' dealings with their clients and customers. Based apparently on Lauer's own observations and experiences as a real estate broker, they depict agents as largely untrustworthy, and raise questions as to their competence, knowledgeability, motivations and integrity. Angrist's (1984) research into agents' use of persuasion with their customers suggests that agents redefine certain elements as, either positive, or negative, in order to get customers to consider properties on which they can collect commissions. Finally, a study by Ruane, Cerulo and Gerson (1994) depicts real estate agents as liars, and focuses on the organizational or structural effects of the real estate occupation which makes lying conducive to selling real estate.

While House (1977), Angrist (1984), Lauer and Murray (1989), Steacy (1987), and Ruane, Cerulo and Gerson (1994) provide examples of how deception can occur, none of these authors look at the related processes by which trust is established, maintained or lost in agent-client/customer relationships. In addition, the perspectives of buyers and sellers are largely neglected, as only Angrist (1984) includes seven buyers in her study and House (1977) a few vendors. Ruane, Cerulo and Gerson (1994) did interview home buyers as well as agents, however, their focus was limited to agents' lying as opposed to the relationship more broadly.

My research, on the other hand, will attempt to capture the

historical/temporal dimension of agent-client/customer relationships, based primarily on the experiences of many buyers and sellers, seventy-two in all, and those of twenty-one real estate agents. Since most vendors and purchasers eventually utilize the services of a real estate agent, this study will examine the contingencies involved in vendors and prospective purchasers consenting to work with real estate agents, and continuing or discontinuing to use their services. We will also look at the ways in which real estate agents attract new clients and customers, and the kinds of services they provide (or fail to provide) which result in their continuing patronage (or loss of patronage). Of central importance will identifying the ways in which "trust" is established and sometimes lost.

While the experiences of all three parties, buyers, sellers and agents will be discussed, the focus of this study is primarily on the actions of the agent. Wherever possible or relevant, the roles will be discussed simultaneously, in order to uncover what the agent is trying to do and what the buyer or seller appreciates or sees the agent as doing. The concepts which will be used or developed will be done with the agent, as actor, in mind.

CONCEPTUAL OVERVIEW

Simmel's (1950) differentiation of "form" and "content" represents a starting point for this study. "Content" refers to the context in which social life unfolds and reflects the interests of the people involved. "Form" refers to the way in which people interact

with one another (Simmel, 1950:41). It (form) is the subject matter with which "generic" sociologists in the interactionist tradition is primarily concerned. With respect to real estate sales activity, form signifies the "processes" by which prospective buyers and sellers come into contact with particular sales representatives, and continue or discontinue to utilize their services. "Content" refers to the issue(s) with which clients or customers are concerned and over which human action takes place. For Simmel, "form" is viewed as the generic concept, whereas "content" is inevitably more variable.

The approach used in this study is that of "symbolic interactionism."[2] As will become apparent, symbolic interactionism is very sensitive to the conceptual concerns Georg Simmel expressed. Interactionism, however, is more developed and offers a broader base of literature from which to draw comparisons and contrasts. Symbolic interactionism builds on the ideas regarding

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[2]Readers should be aware that this version of symbolic interaction falls most squarely into the "Chicago (versus Iowa) School." The two schools differ "methodologically." Blumer (Chicago) argues for a "distinctive methodology" for the study of human life. He urges the use of "sensitizing concepts" in order to get inside the actors head and see the world as he sees it. Kuhn (Iowa), on the other hand, stresses the "commonality of method" in all scientific disciplines. In doing so, he encourages "operational definitions" of the self, social act, social object, reference group, and other concepts. Secondly, Blumer allows for an "unpredictable," "indeterminate" dimension of self. Humans are seen as "innovative," actively constructing their actions. By contrast, Kuhn views human behaviour as "determined" and "predictable," based on "internalized role expectations." Thirdly, the Chicagoans conceive of both self and society in "process terms," while the Iowans describe both self and human interaction as "structures." See Meltzer and Petras, (1970:46-54) for a more comprehensive discussion.

the relationship between mind, self and society, introduced by George Herbert Mead (1934), which was further developed, conceptually, by Herbert Blumer (1969). Building on Cooley's (1956) notion of sympathetic introspection, Blumer (1969) incorporated a methodology in order for researchers working in the interactionist tradition to study everyday life.

Denoting a "natural history" of relationships between real estate agents and their clients or customers, the concept of "career contingencies" allows us to examine these relationships in process terms. As developed by Prus and Sharper (1977) and Prus and Irini (1980), the concept of "career contingencies" involves four stages: (1) initial involvements; (2) continuities; (3) disinvolvements; and (4) reinvolvements. Accordingly, the "career contingency model" provides the organizational framework for this study. The utilization of this model makes it possible to view these relationships in process terms with beginnings, ends, and points in between where these relationships may become more or less intense. Combined with the interactionist approach, we can examine what kinds of things shape the direction of these relationships at various points in time.

While this study draws on the works of a number of interactionist writers, Prus' (1989a, 1991) research into the retail marketplace is of paramount importance to this study, as these two works provide us with a legion of concepts with which to describe the relationship process. Prus (1989a) takes a broad approach to making sales from the point of view of the salesperson

or retail vendor. Two major themes in this work are the strategies by which salespeople attempt to gain the trust of their customers, and neutralization techniques employed by them when confronted with reluctant buyers. The focal point for Prus' (1991) work is on trust and skepticism in the retail marketplace as perceived through the experiences of shoppers. This particular work, taken from the perspective of the shopper, will help us to identify the kinds of personal qualities and behaviors shoppers appreciate in salespeople. Given that Prus' (1989a, 1991) marketplace study most closely approximates the real estate marketplace, we will be drawing on these two works for many of our concepts, particularly those related to neutralization techniques and trust work.

CHAPTER OVERVIEW

This thesis will be structured as follows. Chapter two reviews the literature upon which the theoretical approach and organizational framework for this study is based. As to the overall theory, Mead's (1934) and Blumer's (1969) approach to "symbolic interactionism" will be reviewed in greater detail. In particular, we will look at perspectives, reflexivity, negotiations, relations, and processes, as these concepts are central to symbolic interactionist theory and form the theoretical underpinnings for this study. The "career contingency model" (Becker, 1973; Prus and Sharper, 1977; Prus and Irini, 1980) provides the organizational framework for this thesis. The research of a number of interactionist writers working in a variety of social settings from

whom we get many of our concepts will also be reviewed. Most noteworthy will be Prus' (1989a) work on the retail marketplace.

Chapter three discusses the methodology used in this study. The data were provided by personal interviews with seventy-two volunteers (vendors and purchasers) who were asked to discuss their experiences in buying and selling real estate as well as their experiences with real estate agents. Another thirteen volunteers who work as real estate agents were interviewed and asked how they find new clients and customers, maintain patronage, and the kinds of things they do which lead to successful real estate transactions and/or the commitment of their clients or customers. Their perspectives on the loss of clients and customers was also reviewed. A fairly consistent interview format intended to capture the experiences of participants in the natural history of buying and selling real estate was utilized. The primary focus was on the initiation of relationships between real estate agents and their buyers and sellers, and the contingencies affecting continuity, disinvolvement and reinvolvement. My own experiences with vendors, purchasers, and other real estate agents, while working as a real estate agent in the field, supplemented the personal interviews. A number of informal interviews were also conducted in recent months, where specific incidents which came to my attention through casual contacts were probed. Eight other real estate agents were interviewed in regards to specific incidents while working in the field, bringing the grand total of agents in the interview pool to twenty-one.

The fourth chapter presents an overview of the residential real estate business. It is mainly a personal statement based on my own observations and experiences in the business. As such it is not meant to be an exhaustive account of everything agents do, but to help readers fill in any knowledge gaps they may have on the real estate business. In this way, it is hoped that readers will get a clearer picture of the agent's routine activities and their world in general. Included in this account, albeit briefly and spotted, is my assessment of agents' relationships with each other, with brokers, and with buyers and sellers. In terms of the organization of this chapter, we will discuss agent qualifications; the organization of the real estate industry; variations in brokerage firms and how this shapes the way agents do business; activities aimed at finding new clients and customers; activities related to obtaining, servicing and marketing listings; and how this all comes together to be a winner, or loser, at the real estate game.

Chapter five looks at the ways in which real estate agents and their clients or customers begin their relationships. Section one looks at the "presentation of self" or the ways in which agents attempt to present themselves to prospects so as to make the kinds of impressions they think prospects desire in an agent. The next section looks at the ways in which agents "develop the interest" of prospects in regards to buying or selling a home. A third section examines the experiences of those who prefer to buy or sell privately ("going alone"). By doing so, we may glean greater insight into people's reservations for using real estate agents.

Following that is a section devoted to "making contact." It looks at the routes to involvement, "recruitment," "seekership" and "closure."

The sixth chapter is devoted to "dealing with reservations." In the first part of the chapter, the kinds of reservations buyers or sellers have for working with real estate agents are identified. The second part of the chapter discusses the ways in which buyer or seller reservations may be "neutralized."

In chapter seven, a discussion on "building relationships" (continuing involvements) is featured. It looks at what agents do, and what buyers and/or sellers appreciate them doing, in order to "foster commitment."

Chapter eight looks at when and how relationships between agents and their clients or customers are ended ("disinvolvement"). The first section examines vendor and purchaser perspectives on disengagement with agents. Following that will be a discussion of real estate agent viewpoints regarding losing prospective buyers, for it is maintaining relationships with buyers that agents generally find the most difficult. That will be followed by an examination of real estate agent perspectives on phasing out buyers. While not as common, agents sometimes take the initiative to disentangle themselves from vendors. The circumstances under which this may occur will be addressed. Finally we will look at how participants indicate to others that the relationship has ended.

The ninth chapter focuses on "making deals." This chapter

looks at the major steps where the agent may be most influential in buying and selling homes. Beginning with the presentation and showing of homes, it takes us through the various steps leading up to the submitting and receiving of offers. It provides valuable insight into the agent's role in invoking selective (and deceptive) definitions of situations, as well as agent strategies for reaching agreements. The experiences of buyers and sellers, when encountering offers, is equally informative in sorting out the kinds of things which make offers acceptable from those which seem to be obstacles to the completion of deals.

Chapter ten discusses the "renewing of relationships" or reinvolvement. The focus of this chapter is on examining the contingencies related to reinvolvement at some future point, and the agents' strategies for promoting such relationship renewal. The major findings and highlights of the study are reviewed in the concluding chapter of the dissertation.

RESEARCH CONTRIBUTIONS

This study adds to the sociological literature addressing the ways in which social life is accomplished and maintained in an orderly fashion, and becomes disrupted. In doing so, this research may help to explain how social order is accomplished in practice amidst an assortment of diverse interests and an array of tactical interchanges on the part of those in the community.

Interactionists (Mead, 1934; Blumer, 1969) see social order as being created, maintained and changed during interaction between

individuals as they attempt to work out their viewpoints, lines of action, and self-images. The interactionist approach enables researchers to examine the "processes" by which people come together for any number of activities, attempt to continue their association or to form more enduring relationships, or end up going their separate ways. It enables us to capture people's experiences by allowing them to tell about their life-worlds. The method of analysis makes it possible for us to discover the commonality and uniqueness of the empirical instance.

Rather than taking a structuralist position that starts with some assumed components of trust or inferred causes of distrust, or creating a set of operationalizations in order to test whether a set variables are related to trust or deception, this study focuses on how trust is established and how perceptions of distrust become apparent within the "here and now" context of real estate agent-client/customer relationships.

Relationships between real estate agents and their clients or customers are not as fleeting as relationships between most other service providers or salespeople and their clients. Satisfied customers often speak of their agent with a great deal of affection. After all, the agent found them the home of their dreams. Many boast of the ongoing contact with their agent and refer to the agent as "their friend." On the other hand, they are not unlike relationships between lovers, or doctors and their patients. These types of relationships can be of relatively long duration, share varying degree of intimacy of one type of another,

and there can be a lot at stake in terms of the loss of these relationships. In studying real estate agents and their clients or customers, we have a setting which enables us to observe relationships of significant duration and depth, in order to learn more about how "loyalty" is accomplished or is somehow lost. Thus, our findings will increase understanding of how relationships of all sorts begin, intensify, dissipate, or are renewed.

This research may also be of practical value to real estate agents and those people who wish to buy or sell a home. Real estate agents can learn more about the kinds of things vendors or purchasers expect of them in terms of services and interpersonal interaction. They can attend to various strategies which seem to be successful in generating trust and fostering loyalty with vendors and purchasers. Buyers and sellers can gain an understanding of how real estate agents view them, and the kinds of things they might do to ensure the agent's trust and undivided commitment.

As well, those who have yet to buy a home may wish to examine our findings. This study, therefore, which builds on the experiences of buyers or sellers who have already done so, will be enlightening to the novice, increasing the probability of a wise choice of an agent and, at the same time, increasing their chances of getting the home of their choice.

For our more immediate purposes, though, this project is more directly located within the social science enterprise. It affords us an opportunity to examine, on a sustained, first-hand basis, the

ways in which people engage each other in the construction of community life.

CHAPTER II

VIEWING AGENT-CLIENT/CUSTOMER RELATIONSHIPS IN CAREER TERMS

This chapter looks at the theoretical underpinnings and selection of concepts to be used in this study. The theoretical approach used in this study is that of symbolic interactionism (Mead, 1934; Blumer, 1969). Building on Blumer's (1969) notion that actions, meanings and relationships, among other things, take shape in process, other researchers (Becker, 1973; Goffman 1961 and 1963; Prus and Sharper, 1977; Prus and Irini, 1980; Prus, 1984) contributed to the development and refinement of the career contingency model. Utilizing the career contingency model as the organizational framework for this project, we will look at (1) initial involvements, (2) continuities, (3) disinvolvements, and (4) reinvolvements in terms of the findings of previous researchers. We will also look at how the concept of "trust" has been used by researchers in a variety of social contexts, for it is "trust" more than any other contingency which likely will affect the relationship between real estate agents and their clients or customers. The sensitizing concepts discovered here will form the building blocks for analyzing our data.

SYMBOLIC INTERACTIONISM

The approach used in this study is "symbolic interactionism." As will become apparent, symbolic interactionism is very sensitive to the concerns that Georg Simmel (1950) expressed regarding sociology as the study of forms of association. Interactionism, however, is

much more developed and offers a broader base of literature from which to draw comparisons and contrasts. Central to interactionist theory are the following three premises:

> (1) Human beings act toward things on the basis of meanings that things have for them. Such things include everything that the human being may note in his world -- physical objects, such as trees or chairs; other human beings, such as a mother or a store clerk; categories of human beings, such as friends or enemies; institutions, such as a school or a government; guiding ideals, such as individual independence or honesty; activities of others, such as their commands or requests; and such situations as an individual encounters in his daily life.
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> (2) The meaning of such things is derived from, or arises out of, the social interaction that one has with one's fellows.
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> (3) Meanings are handled in, and modified through, an interpretive process used by the person in dealing with the things he encounters (Blumer, 1969:2).

While psychologists commonly explain behavior in terms of drives, attitudes, conditioning and the like, the interactionists concentrate on the "social processes" by which group life unfolds. By focusing on factors to account for human behavior, psychologists generally "neglect" or "presume" meanings for human actions. In contrast, the interactionists view "meanings" as central in their own right. Meanings are created and adjusted in the "process" of interaction between people.

Central to an interactionist approach are the following concepts (Prus, 1987): (1) "perspectives" (viewpoints, frames of reference, meanings); (2) "reflectivity" (the interpretation process); (3) "negotiations" (compromises, exchanges of opinion, strategies, plans of action); (4) "relations" (alignments, affiliation networks, commitments to others); (5) "processes"

(careers of events, roles, relationships, ideologies, commitments). The reader should be aware that these elements are all part of human behavior and provide the framework for this study.

Perspectives

Perspectives refer to the "frames of reference" (also meanings, ideologies, viewpoints, definitions, symbolic realities) with which people conceptualize their behavior.[1] Constructed through "symbolic interaction" with others and internalized through the process of mind, perspectives are central to this study. The internalization of perspectives makes it possible for people to interpret the world about them. It provides them with a way of looking at and perceiving situations.

Without perspectives, evaluations of other people's actions as good or bad, trustworthy or deceptive, would not be possible. As frames of reference for behavior, "perspectives" can be seen to vary in the extent to which they: (1) are generally accepted within a population; (2) have become formalized; (3) are internalized by individuals; (4) are coincidental with particular roles; and (5) are situation specific. But, our immediate concern is not with these variations as much as recognizing the "existence" of perspectives, their "variability of content," and their

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[1]See Mead (1934) and Blumer (1969) for earlier statements on the concept of perspectives.

"significance" for interaction.[2]

Reflectivity

The internalization of perspectives allows for "reflectivity." For our purposes, "reflexivity" (reflectivity) (Mead, 1934) involves two central processes, (1) self-reflectivity and (2) role-taking. By "self-reflectivity," Mead suggests that people take themselves into account. "Role-taking" makes it possible for people to take the viewpoints of others as well as themselves into account. Through role-taking, people are able to acknowledge the perspectives of others, interpret their actions, and anticipate the actions of others. In this way, people recognize that others, as well as themselves, are objects unto themselves. "Taking the role of the other" enables a person to see himself from the outside. Mead (1934:138) notes that the individual experiences himself "indirectly" from the standpoint of "particular others," from particular "reference groups" to which he belongs, or from a highly

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[2]For illustrations regarding the significance of perspectives for interaction, see: psychiatric diagnosis in peace (Scheff, 1964) versus combat situations (Daniels, 1970); police perspectives on delinquency (Werthman and Piliavin, 1967); police discretion in apprehending mentally ill persons (Bittner, 1967a); police perspectives on skid row (Bittner, 1967b; Rubinstein, 1973); court treatment of skid row alcoholics (Wiseman, 1970); staff/client perspectives regarding the treatment of skid row alcoholics (Wiseman, 1970); teacher viewpoints on deviance (Hargreaves et al., 1975); and police perspectives regarding domestic disturbances (Davis, 1983). In fact, the importance of perspectives can be seen in almost any ethnographic study.

generalized standpoint of the "whole social group."[3]

Through "role-taking," people are also able to look at themselves as well as others in past, present and future contexts. "This ability to take the role of our self outside the present means that whatever we do in the present can be tempered not only by other people in our past, present, and future but also by our own perspectives from our past and future" (Charon, 1979:106). Through knowledge of others' past experiences and recollections of their own, people create expectations for themselves and others. As well, the capacity to imagine themselves and others in the future enables people to anticipate the other's actions as well as their own counter-actions in contemplating the options available to them.

"Reflectivity" is fundamental to relationships as it signifies the process which enables people to perceive and interpret the actions of others, and to take themselves into account in formulating a plan of action. It also allows people to inform others about how they see situations.[4] They are not just chairs or pieces of wood waiting to be acted upon. People are thinking objects with a sense of who they are, where they are going, and

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[3]For example, an individual may ask himself: "What will my boss think? (particular other); "What will my company think?" (generalized other); or, "What will people in general think?" (generalized other - abstract community).

[4]Interactions between people are not always straight forward (Lemert, 1962; Glaser and Strauss, 1964; Wiseman, 1970; Prus, 1982). Interaction can be unintentionally ambiguous, insincere (spurious), deliberately untruthful or misleading, and therefore not clearly indicative of the other's perspective.

what they would like to do. Through reflectivity, people are able to assess the effects of other people's actions on themselves and to anticipate the effects of their own counter-actions in working out their lines of actions with others. Human action, therefore, is not predetermined, but "problematic" and "negotiable." It is worked out during interaction with others as well as oneself.

Negotiations

"Negotiation" refers to the process whereby meanings (designations and interpretations) are exchanged between actors. Over time, and through subsequent interaction, meanings are likely to undergo change. As Blumer (1969:8) notes:

> Social interaction is a process that forms human conduct instead of being merely a means or a setting for the expression or release of human conduct. Put simply, human beings in interacting with one another have to take account of what each other is doing or is about to do; they are forced to direct their own conduct or handle their situations in terms of what they take into account. Thus, the activities of others enter as positive factors in the formation of their own conduct; in the face of the actions of others one may abandon an intention or purpose, revise it, check or suspend it, intensify it, or replace it. The actions of others enter to set what one plans to do, may oppose or prevent such plans, may require a revision of such plans, and may demand a very different set of such plans. One has to fit one's own line of activity in some manner to the actions of others. The actions of others have to be taken into account and cannot be regarded as merely an arena for the expression of what one is disposed to do or sets out to do.

Essential to negotiations are (1) symbols, (2) reflectivity, (3) interaction, (4) strategies and counter-strategies. As "symbol" using entities, humans "interpret meanings" rather than merely respond to another's actions. "Symbols" reflect

perspectives and, as such, are the substance of negotiations. Negotiations would not be possible without "reflectivity," for "reflectivity" is the process of interpretation. "Reflectivity" enables people to perceive and interpret the symbols provided by others, and to make "symbolic indications" to others. In this way, people are able to take themselves and others into account in considering the options available to them. Through the "process of negotiations," definitions of interaction and the perspectives they reflect undergo modification as participants attempt to fit their lines of action together. Anticipating and/or experiencing negotiations, actors may develop "strategies" (plans of action). These may be seen as ongoing formulations as participants attempt to deal with the situations they encounter.[5] As well, people may develop "counter-strategies" when they realize the possible consequences of the actions of the other negotiators to themselves or to others on whose behalf they are acting. Interactionists view society as people engaging in the "ongoing processes" of action. Rather than denoting organisms blindly responding to stimuli, people actively construct their actions in the process of interaction with themselves and others. Action, therefore, is a phenomenon which emerges as problematic and negotiable.

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[5]While "strategies" are often intended to manipulate negotiations in directions favorable to them (or one of the negotiators), people may also act with the best interests of the group in mind. As Mead (1934:377) indicates, "people can acknowledge their duties as well as their rights by taking the attitude of the community towards themselves."

Relations

Since people tend to develop particularistic bonds or affiliations with others, they take these relationships into account in developing their activities. When discussing relationships, we need to recognize the capabilities of people to become involved in multiple (and sometimes conflicting) relationships on an overlapping basis. We must also be aware of the unfolding or processual nature of these relationships, including their precarious nature, given that people have the ability to redefine the viability of their relationships with others over time. According to Prus (1989a:40), people's associations with others may vary greatly along several dimensions (e.g., fleeting versus enduring, limited versus unlimited choices, specific versus multicontextual). However, insofar as people take these associations with others into account in formulating and implementing their lines of action, these relationships are of primary importance to an understanding of human behavior (Prus, 1989a:40).

Processes

Viewing the construction of meanings in "processual terms," interactionists recognize that actions can be viewed as having "careers" or "histories". Blumer (1969:70-76) acknowledges the "career process" in terms of the following notions. First, actors "identify" the activities in which they are about to participate. Second, identification is achieved through the process of

interpreting and defining each other's acts. This enables participants to take each other into account in formulating their lines of action. Third, since joint action is built up over time, it can be viewed in its historical context with "continuity" and "disinvolvement" contingent upon what happens during its formation. Fourth, while careers are generally orderly and repetitious by virtue of their "common meanings," they are also open to many "uncertainties." With this in mind, Blumer (1969:76) indicates that, "while participants may fit their acts together on the basis of compromise, others may do so out of duress, because they may use one another in achieving their respective ends, because it is the sensible thing to do, or out of sheer necessity."

CAREER CONTINGENCIES

Concerned with the developmental processes implied in human association, one of the ways in which interactionists have studied emergent group life is through the concept of "career contingencies." While this concept has its roots in Anderson's (1923) depiction of the hobo; Shaw's (1930) portrayal of the jackroller; Cressey's (1932) analysis of the taxi-dance hall; Sutherland's (1937) statement on the professional thief; and Thomas and Znaniecki's (1958) account of the Polish peasant, it seems to have originated from the concept of careers used in occupational studies (see Hughes, 1971). Instrumental, however, in developing the "career contingencies concepts" further were Becker (1973), Goffman (1961 and 1963), Prus and Sharper (1977), Prus and Irini

(1980), and Prus (1984).

Becker (1973) views careers (generically) as a sequence of happenings, over time, in the life of a symbol. In fact, any object to which people attribute meaning can be viewed in "career" terms, and seen as emerging and changing in social interaction. He suggests that the concept of "career contingencies" is useful in developing sequential models of various kinds of deviant behavior. Originally developed in studies of occupations, the concept refers to "the sequence of movements from one position to another in an occupational system made by any individual who works in that system" (Becker, 1973:24).

Becker goes on to define career contingencies as "those factors on which mobility from one position to another depends.[6] Career contingencies include both objective facts of social structure and changes in the perspectives, motivations and desires of the individual" (Becker, 1973:24). Focusing on the movements of people in deviance, Becker is "not so much interested in the person who commits a deviant act once as in the person who sustains a pattern of deviance over a long period of time, who makes deviance a way of life, who organizes his identity around a pattern of deviant behavior" (Becker, 1973:30). On the other hand, Becker suggests that:

We should not confine our interest to those who follow a

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[6]In implying that there is a sequence of steps that one goes through from the beginning to the end of one's career, Becker's research is consistent with that of Simmel (1950) who views "form" in "process terms."

> career that leads them into ever-increasing deviance, to those who ultimately take on an extremely deviant identity and way of life. We should also consider those who have a more fleeting contact with deviance, whose careers lead them away from it into conventional ways of life (Becker, 1973:24-25).

Thus, for example, in accounting for an individual's use of marijuana, he notes that:

> We must deal with a sequence of steps, of changes in the individual's behavior and perspectives, in order to understand the phenomenon. Each step requires explanation, and what may operate as a cause at one step in the sequence may be of negligible importance at another step. We need one kind of explanation of how a person comes to be in a situation where marijuana is easily available to him, and another kind of explanation of why, given the fact of its availability, he is willing to experiment with it in the first place. And we need still another explanation of why, having experimented with it, he continues to use it. In a sense, each explanation constitutes a necessary cause of the behavior. That is, no one could become a confirmed marijuana user without going through each step. He must have the drug available, experiment with it, and continue to use it. The explanation of each step is thus part of the explanation of the resulting behavior (Becker, 1973:23).

More specifically, Becker cites the following career process in becoming a marijuana user. Assuming its availability, the first step in becoming a marijuana user is one's willingness to try the drug. This nearly always involves associating with others who use the drug. Secondly, an individual must learn to recognize the symptoms and connect them with drug use. Only when the novice becomes able to get high will he continue to use marijuana for pleasure. Thirdly, continued use is contingent upon (a) maintaining the ability to perceive the effects of the drug and (b) learning to enjoy (define as pleasurable) the effects he has learned to experience. Sometimes a user will experience severely

unpleasant side effects and discontinue using marijuana. Becoming reinvolved, then, is contingent upon redefining (by others) the drug as capable of producing pleasure.

Like Becker (1973), Goffman (1961, 1963) stresses the role that other people play in shaping an individual's career. Focusing on the mentally ill, he introduces the notion of "moral career" which he defines as "the regular sequence of changes that career entails in the person's self and in his framework of imagery for judging himself and others" (Goffman, 1961:128). Essentially, one's "moral career" may be viewed as the process through which one's identity more or less continually undergoes change as persons interact with other persons across situations and over time.

Goffman (1961) delineates three phases in regards to the mental patient's career: the pre-patient, in-patient, and ex-patient phases. During this process he is made to accept a new definition of "self," one which is imposed on him by others. In the pre-patient phase, Goffman (1961:133) notes, the patient "starts out with relationships and rights, and ends up, at the beginning of his hospital stay, with hardly any of either." Essentially those whom he trusts, the complainant, his next-of-relation and mediators (experts or professionals) who befriend him in order to assess him, are responsible for having him committed to the mental hospital. Goffman implies that some of the acts which provoke the complaint that leads to the patient's admission to hospital are often contingent upon other factors (socio-economic status, nearness to hospital, spouse's circumstances, etc.) which

might not mean hospitalization if the circumstances were different. Once hospitalized the patient feels betrayed by those who put him there. During the inpatient phase, he is pressured through the gain or loss of privileges to accept the hospital staff's definition of his "self." At first he tries to deny their definition of what act brought him to the hospital in an attempt to maintain his own conception of "self." However, he soon finds that he can gain more freedom and privileges if he accepts their definition of himself as mentally ill. Even when he is released (becomes an ex-patient), usually under the supervision of the next-of-relation or a watchful employer, he can easily be readmitted at their request should he misbehave (or assume his former self).

From his study of "the stigmatized," Goffman (1963) suggests that persons who have a particular stigma tend to have similar learning experiences regarding their plight, and similar changes in conception of self. He identifies three phases which the individual who acquires a stigma goes through. In the "socialization phase," the individual incorporates the perspectives of the wider society towards a particular stigma. During a second phase, he learns that he has a stigma and the consequences of having it (i.e. how to cope with it). In the final phase, his perceptions of "self" change as he sees himself in terms of his "stigmatized" identity.

Studying hustlers and thieves, Prus and Sharper (1977) propose that people's involvements in deviance be located within a general theory of involvements:

> ....deviance involvements are best viewed in a process model reflecting the acquisition of orientations toward activities and their situational applications, the negotiations of self and other definitions vis-a-vis one's interests; one's time-situated opportunity structure; and the subsequent social networks in which persons find and identify themselves. Involvements in deviant activities and the emergence and stabilization of deviant careers seems consistent with involvement in other spheres of life. Once one permeates the deviant mystique, it becomes apparent that one does not need one social psychology for the deviants and another for the normals (Prus and Sharper, 1977:168).

These notions are developed further by Prus and Irini (1980) in their study of the hotel community. They suggest that an analysis of "career contingencies" should examine (1) initial involvements, (2) continuing involvements, (3) disinvolvements, and (4) reinvolvements, as well as the effects of multiple or other involvements on the focal career. In other words, the "career contingencies" approach envisions actors, their actions, and their interactions in dynamic terms, each having unfolding and interdependent careers.

Based on this and other research, Prus (1984) delineates five elements constituting role careers: (a) perspectives or ideologies; (b) identities; (c) commitments; (d) activities; and (e) relationships. As with the overall role itself, each of these elements can be seen as having its own career, that is, that over time people may vary in the extent which they are incorporated into a role relative to these.[7] "Careers of ideologies" reflect the

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[7]It is difficult to come to terms with the concept of "career contingencies" because the five sets of careers are intertwined. Each aspect of career affects every other aspect. In other words, commitment to a relationship may be affected by a change in reputations, orientation towards each other, or the discontinuation

ways in which people acquire perspectives (beliefs, viewpoints, etc.), sustain (or intensify) these perspectives, become disinvolved from and/or reinvolved in these orientational frames. "Identity careers" encompass one's image of self over time (Prus and Irini, 1980:244). Of particular interest here is the process by which "reputations" (social identities) and/or "definitions of self" come about, become more intense and/or widespread, or dissipate. "Commitment" may be defined in many ways (i.e. to a person or activity) but an actor's own sense of commitment may be most viable. As with the other aspects of roles, one might ask how commitments to certain persons, ideas, roles, or activities come about and/or dissipate. "Careers of activities" looks at how certain activities come about and when they are likely to intensify or dissipate. The "career of a relationship" might involve any number of relationships each of varying depth (intimacy, rights and expectations) and duration (short or longer term, frequent or infrequent contact). A marriage, a friendship, a therapist-patient relationship, or the relationship between a sales clerk and a customer are examples of relationships.

This study focuses on the careers of relationships between real estate agents and their buyers and sellers. As with the career of any relationship, there are various stages that people go through in building a relationship. Given that there is often considerable profit to be made in terms of commissions when a home

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of certain important services, for example, a real estate agent refusing to do open houses or a doctor refusing to prescribe medication.

is sold, and, for most people, buying and selling homes is not a frequent occurrence like buying many other types of consumer goods, most agents have a vested interest in building long-term relationships. The career contingency model provides us with a framework with which to view the agent-client/customer relationship as a process, with a beginning, and with continuity contingent upon both parties being able to overcome any obstacles they may face in order for the relationship to progress.

Because residential real estate transactions represent major expenditures for most people, there is also a lot at stake for both buyers and sellers. A large amount of money is being transferred and the agent acting on their behalf may determine, to a large extent, how much they either pay or receive. The ability of the agent to successfully negotiate an agreement on behalf of an interested buyer or seller may also determine whether the buyer gets the house of his or her choice, or a seller gets to move. Consequently, "trusting" the agent is anticipated to be central to involvement and continuity.

Since it is not always possible to achieve a successful outcome, when and how "disinvolvement" takes place will be examined. Where the relationship ends successfully, the contingencies related to "reinvolvement" will also be examined. Determining whether or not an outcome is successful, of course, depends upon the perspectives of the actors. As well, people's assessments of these outcomes may change over time as they are exposed to counter-definitions provided by third parties, make

comparisons, are happy or unhappy with their present situation (home environment), or experience ongoing contact with their agent.

None of the research conducted in a real estate setting, thus far, has addressed the processual nature of the agent-client/customer relationship. Much of the work that has been done, however, suggests that there is plenty of opportunity for agents to deceive their clients or customers. It also suggests that agents may not tell the truth if doing so could jeopardize a sale, that they tend to manipulate situations to their best advantage, and that they are not always competent when it comes to legal matters and housing quality. We now turn to a closer examination of this industry by reviewing the findings of authors who have conducted research in real estate settings.

RESEARCH WITHIN A REAL ESTATE SETTING

The following five works, written from different focal points, provide some insight into relationships between agents and buyers or sellers. Of the five authors, only House (1977), Angrist (1984), and Ruane, Cerulo and Gerson (1994) are sociologists who engaged in actual research. House (1977) focused mainly on the agents, their careers, and their relationships to each other. Angrist's (1984) research centered on the agent's use of "manipulation" when working with buyers. Ruana, Cerulo and Gerson (1994) investigated agents' "lying" as a function of their occupational structure. Steacy's (1987), and Lauer and Murray's (1989) observations were of an applied nature, based on their own

experiences within the real estate business. Taken together, they provide some insight, albeit fragmented, into relationships between agents and buyers or sellers.

House (1977) describes the real estate business in Montreal in the mid 1970's mainly from the point of view of the real estate agent. The focus for House was on the agent's behavior, careers and work relations. Of significance to our study is his analysis of agents' manipulative behavior. House notes that agents "manipulate" situations to their best advantage by: (1) focusing on the positives and ignoring the negatives; (2) arranging appointments to show homes when it can be seen to the best advantage of the vendor; (3) showing less suitable homes before the one he/she intends to sell; (4) indicating to the potential purchaser that there are other purchasers interested in the house when there really are none; and (5) pretending that he/she is working hard on a listing by showing it to customers, friends or relatives who are unlikely to be interested in it. The first four strategies are intended to generate buyer interest, and hence, to promote an offer. The last one is intended to maintain vendor loyalty.

Steacy (1987) discusses an array of aspects of real estate, from mortgages to the buying, selling, or leasing of all kinds of properties, from residential homes to cottages, farms, hotels, motels and factories. He examines what can go wrong at different stages in the buying and selling process. Among other things, he analyzes the various conditional clauses, the problems with

accepting small deposits, and the dangers of buyers assuming mortgages. He suggests that dealing in real estate provides plenty of potential for buyers or vendors to deceive one another, and real estate agents often do not have the expertise to protect their clients or customers. On the other hand, there are many avenues for the knowledgeable but opportunistic agent to take advantage of clients.

Lauer and Murray (1989) discuss the real estate agents' dealings with his or her buyers and sellers in many aspects of the residential market. The book was written by a real estate broker and a mediator, and is apparently based on Lauer's observations as a practicing real estate agent. Generally, it depicts real estate agents as being untrustworthy and addresses some of the ways in which vendors and purchasers get taken by agents. In doing so, Lauer and Murray discuss the various steps in the buying and selling process, and the kinds of problems which sometimes occur at each juncture. Among the explicit ways agents deceive buyers and sellers include: (1) incompetence in the preparation of offers; (2) having the irrevocable time on an offer extended to their (listing agent's) advantage; (3) not informing buyers about zoning bylaw requirements while knowing their future intended use will be illegal; (4) neglecting to include conditions in offers for the protection of buyers or sellers; (5) refusing to cooperate with other agents on exclusive listings; (6) failure to fulfill commitments to service listings; (7) manipulating appraisals (too high or too low) for their own purposes; (8) fabricating offers or

creating phony competitors in order to pressure buyers to make offers, to waive conditions, or to increase their offers; (9) hiding keys from other agents; (10) telling buyers they will get a better deal by presenting offers through them (listing agent) when, in fact, they will not; (11) accepting money (for example, from mortgage brokers) without making full disclosure; and (12) flipping, which occurs when a property has an accepted offer on it and that offer is sold to someone else at a higher price, resulting in a quick profit for the first purchaser and the agent as well. Essentially, Lauer and Murray's (1989) analysis raise questions as to the agent's competence, work ethic, motivations, and honesty in dealing with their buyers and sellers.

Angrist's (1984) research into real estate agents' dealings with buyers and sellers began in 1955 as part of a larger study of interpersonal persuasion. Her research looked at whether people were being sold things they neither wanted nor needed through the (at that time) newly powerful forces of advertising and sales. She interviewed fifteen real estate agents from a long-established Montreal real estate firm and seven customers. In those days multiple listing services did not exist. Buyers, typically, worked with several agents from different real estate companies who could sell only their company's listings. Under these conditions one could assume there must have been a great deal of pressure to close a deal.

Her study identified specific ways in which agents (1) lose potential buyers, (2) foster continuity, and (3) manipulate

situations to their own advantage. Agents who "lack knowledge" regarding their customer's needs and try to sell them unsuitable properties, often end up losing those customers. In terms of "fostering continuity," (a) agents may "keep customers interested" by calling them several times a week regarding new listings, and (b) "treat customers as friends" in order to gain their trust and get them to buy more easily. Angrist also notes that agents "manipulate situations" to promote the sale of their properties. In terms of manipulation, agents: (a) redefine the customer's conception of a suitable property to interest them in what they have available; (b) point out the negative elements of competing properties which may be of interest to the customer; and (c) ignore criticisms of their properties, focusing instead on the more positive qualities. The agent also (d) "creates suspense" by telling customers that there are many other potential buyers interested in a property when there likely are none.

Ruane, Cerulo and Gerson (1994) utilized participant observation, personal interviews and document analysis to investigate the telling of lies by real estate agents in the New Jersey, U.S.A. real estate market. They found that "normal lies" were a common part of the real estate agent's interaction with his or her customers. Normal lies "constitute a known falsehood that is rationalized and legitimated as the means to a noble end, such as for the good of one's family, colleagues, or country" (Ruane, Cerulo and Gerson, 1994:92). In other words, normal lies are socially acceptable (depending on the context and the viewer) and

facilitate continuing interaction or ongoing social relations. Two examples of normal lies cited by the authors include complimenting the cook on a tasteless meal or telling neighbors that you did not hear their animated fight the previous night, even though you did. They also provide illustrations of how real estate agents, more specifically, lie to prospective buyers. An agent told one prospect to make an offer, even a low offer, in order to get his feet wet, while telling another prospect, who proposed to make an offer, that he (the agent) could not present such a low offer to the vendor. In another case, they describe the real estate agent telling the buyers that he was a friend of the listing agent and he (the listing agent) leaked the vendor's rock-bottom price to him. The buyer ignored this information, choosing instead to submit an offer which was several thousand dollars lower than the apparent rock-bottom price. The vendor accepted it. Ruana, Cerulo and Gerson (1994) concluded that normal lies are made possible in the real estate occupation by the: (a) high reward structure (commissions) coupled with the easy entry into the occupation (low educational requirements); (b) divided loyalties particularly when agents represent both vendor and purchaser; (c) styles of occupational social control (self-regulatory as opposed to punitive social control); and (d) lack of professionalization (low educational standards and lack of knowledge in reference to housing construction).

These studies, when taken together, suggest that buyers and sellers may have many reasons to distrust real estate agents.

House's (1977) research shows how agents may "manipulate" situations to their own (or the other party's) advantage. Steacy's (1987) analysis suggests many ways in which agents can take advantage of the unwary buyer or seller, either intentionally or unintentionally through their (agent's) lack of knowledge. Lauer and Murray's (1989) observations also indicate many avenues by which agents can deceive vendors or purchasers. Angrist's (1984) research, like that of House (1977), suggests that agents "manipulate" situations to their own advantage. Ruane, Cerulo and Gerson's (1994) investigation suggests that lying is a common occurrence in agents' dealings with their purchasers.

While House's (1977) and Angrist's (1984) research suggest ways in which agents foster loyalty and hence continuity with their vendors or purchasers, none of these studies examine the career processes involved in agent-client/customer relationships. None of these researchers look at the ways in which agents and buyers or sellers make contact with each other, or the considerations that go into consenting to work together. This research will focus on the career aspect of these relationships, and, in doing so, will attempt to answer certain fundamental questions. What do agents do to foster a desired image among potential clients or customers? What kinds of impressions are most attractive to potential buyers or sellers which might result in their agreeing to work with a particular agent? What kinds of reservations do buyers or sellers have for working with agents in general? How do agents neutralize their reservations? Is becoming involved in agent-client/customer

relationships contingent upon the parties to the relationship trusting each other? If trust is involved, when and how is it problematic for these relationships? If problematic, how do agents get prospects to trust them?

Once a relationship has commenced, do agents do anything to maintain buyer or seller loyalty? What sorts of things are expected of agents by vendors and prospective purchasers in order to maintain their loyalty? Given that listings expire and vendors list with other agents, what is it that agents do or do not do that may result in vendors disinvolving themselves from agents? Potential buyers, too, sometimes start looking at homes with one agent only to switch to another, or buy from someone else. When and how does this happen? These are just some of the questions that will be addressed in this study.

The balance of this chapter discusses the literature from which the concepts that describe the "career contingencies" affecting agent-client/customer relationships will be drawn. Six topics will be dealt with. They include (1) initial involvements, (2) neutralizing reservations, (3) continuing involvements, (4) disinvolvements, (5) making deals, and (6) reinvolvements.

GETTING STARTED

This section examines the literature upon which getting started may be contingent. The first part builds on Goffman's (1959) depiction of impression management. Part two features a discussion of the literature related to initial involvements in order to provide a

better understanding of how people make contact with each other.

Presentation Of Self

Building primarily on Goffman's (1959) notion of "impression management," this section looks at the literature related to "presentation of self." Recognizing that first impressions mean a lot and are usually the first step in the development of a relationship, Goffman's (1959) ideas, especially his notion of personal front (appearance and manner), lays the foundation.

Goffman's (1959) variant of symbolic interactionism, "dramaturgical analysis," attempts to analogize social interaction in everyday life to theatrical performances. It is clearly rooted in symbolic interactionism as it focuses on actors, action and interaction. The dramaturgical approach involves the presentation of self in everyday life situations. The focus, for Goffman, is on the kinds of strategies actors employ to bring about a successful performance and to maintain a stable view of self in terms of audience (including self). In doing so he looks at the kinds of strategies actors use to avoid disruption and to remedy situations should their performances be disrupted.

Following his theatrical analogy, Goffman viewed performances in terms of "front" and "back" regions. The "front" is "that part of the individual's performance which regularly functions in a general and fixed fashion to define the situation for those who observe the performance" (Goffman, 1959:22). "Back regions" are often adjacent to front regions but cut off from them (e.g.

dressing rooms in a theatre). Interaction is usually informal in back regions and performers reliably expect that members of the front audience will stay away from back regions.

The "front" can be subdivided into the "setting" and the "personal front." While the setting involves the physical decor where the performance takes place (furniture, layout, etc.), the "personal front" refers to the other aspects of expressive equipment identified with performers themselves such as rank, clothing, sex, age, racial or physical characteristics, speech patterns, facial expressions and so forth (Goffman, 1959:24). The personal front can be further subdivided into appearance and manner. "Appearance" includes stimuli which indicate to the audience the performer's social status (e.g. whether he/she is working or engaging in a recreational activity). "Manner" informs the audience of the interaction role the performer will expect to play in the oncoming situation. Thus someone with a haughty, aggressive manner may give the impression that he or she expects to play a leadership role in the interaction, whereas someone who is weak and apologetic may give the impression that he or she expects to follow the lead of others (Goffman, 1959:24). When encountering others, the audience generally expects a congruent fit among the various parts of the front.

Developing Interest

The next likely step in initiating a relationship may very well be related to the agent's ability to "develop interest." Developing

interest, of course, may include many of the considerations which go into the presentation of self and the strategies for neutralizing prospect reservations. Developing interests may also come into play at different points in a relationship. For example, agent may do things to heighten interest when a purchase or sale is being, or should be, considered, in order to obtain a commitment. On the other hand, since agents, like retail salespeople, may have only a brief encounter with a prospect, for instance, at an open house, they may only have one shot at kindling interest.

Prus' (1989a) work may be helpful in this regard. Of special interest here are the ways in which retail salespeople attempt to "minimize buyer obligations." They include: (a) "conserving prospect resources" (showing prospects how they can save money by buying a certain product or by buying now); (b) "making it easy" (looking after everything for them); and (c) "providing greater purchasing autonomy" (removing pressure, providing choice). Retail salespeople often employ these strategies in efforts to generate trust, and consequently, to develop prospect interest in making a purchase through them.

Making Contact

When one examines real estate agent-client/customer relationships in process terms, a first question pertains to the ways in which people initially become involved. Consistent with the "career contingency model" (Prus and Sharper, 1977; Prus and Irini, 1980), the "processes" by which people become involved as vendors or

prospective purchasers will likely reflect three major avenues of entry: "recruitment," "seekership," and "closure." While these three routings can be mutually exclusive, initial involvements often entail "multiple routings."[8] All these routings assume the existence of opportunity contexts and are qualified by a fourth element, "drift." The material following examines the relevance of these concepts for purchasers' and sellers' involvements with real estate agents.

Recruitment

"Recruitment" refers to the attempts of others to get the target involved in a particular activity and/or lifestyle (Prus and Irini, 1980:247).[9] These promotions may vary in intensity, explicitness, persistence, and basis of appeal. In terms of prospective buyers and sellers being recruited by real estate agents, "recruitment" is likely to reflect three different types of involvement: (1) inadvertent involvements, (2) sponsored involvements, and (3)

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[8]For instance, a real estate company may offer (through public advertisements) special incentives for listing one's property "for sale" with their company (recruitment). A prospective vendor responding to the ad, may not be too enthusiastic about the salesperson assigned to him/her, but decide to list with them in order to take advantage of the special offer (or perhaps not to offend the salesperson).

[9]For more detailed illustrations and variations of this concept, see "recruitment" in reference to: "adolescent homosexuals" (Reiss, 1961); "religious cults" (Lofland and Stark, 1965); "nudists" (Weinberg, 1966); "religious involvements" (Prus, 1976); "hustlers" (Prus and Sharper, 1977); "hookers" (Prus and Irini, 1980); "basketball players" (Scott, 1981); "participation in sports" (Prus, 1984); and "marketing and sales" (Prus, 1989a;1989b).

solicited involvements.

"Inadvertent involvements" reflect situations in which persons find themselves experiencing unanticipated options (typically when one activity intersects with another). For example, "a regular patron at a bar may be offered an opportunity to make a few bucks on a particular evening when a waiter suddenly quits" (Prus and Irini, 1980:247). In terms of relationships, inadvertent recruitment may reflect people's coming together at a time when one of them, the recruited party, had no previous intention of doing so. It may well reflect a kind of feeling-out process whereby the party doing the recruiting, as well, is not entirely clear of his or her intentions at the beginning. It also implies a consenting to the involvement on the part of both parties. In reference to real estate activities, we might ask buyers and sellers about the sorts of impressions agents made on them, or about the kinds of services agents offered in order for them to consent to working with the agent, especially when they had no intention of doing so at the outset.

"Sponsored involvements" denote insiders (typically family or friends) who may be in a position to arrange or promote the newcomer's involvement (Prus and Irini, 1980:248). Prus and Irini (1980) discovered this type of facilitated involvement in reference to bar work, stripping, hooking, rounding and drinking. Sponsored involvements may take either of two forms when it comes to a business or service type of relationship. The party making the referral may contact the service provider, directly, and suggest

that he or she contact the party in need of the service, or alternatively, recommend that the party in need contact the service provider. We might ask, what are the implications of sponsored involvements for agent-client/customer relationships? When are prospects likely to look to others for referrals, and when and from whom are they likely to accept this sort of introduction?

"Solicited involvements" refer to situations where people more explicitly endeavor to involve others in particular activities. For example, "agents may advertise in newspapers for exotic dancers, hotel owners may seek out a particular person in another bar to manage their places, pimps may endeavor to obtain additional hos, and hustlers may attempt to locate marks" (Prus and Irini, 1980:248). Much of what real estate agents do to make contact with new prospects involves soliciting.

Seekership

"Seekership" is another possible avenue of entry into relationships. In addressing religious seekership, Lofland (1966:331) defines a seeker as "a person searching for some satisfactory system for interpreting and resolving his/her discontent." His definition of seekership refers to people looking to attach themselves to a particular religious community which provides them with an ideological resolution to their discontent. Klapp (1969) refers to seekers as people "looking for change." His analysis of the American hippie movement depicts seekers as trying to resolve an identity crisis. Prus and Irini's (1980:246)

research suggests that seekership "assumes a self-defined attraction towards, or fascination with, an activity."[10] Their research looks at seekership in terms of people searching for activities which they find conducive to their liking. Prus (1989a, 1989b) speaks about "seekership" in terms of prospects looking for particular brands or product lines. If we look across all four definitions, we find people seeking to resolve a problem, whether it be with finding an extended family or community to which to belong, an identity fulfilling to self, or an activity which satisfies their interests. We might ask, are people so concerned about the real estate agent who represents them that they will go out of their way to find someone who meets their standards, at the same time disregarding other agents they meet along the way? If so, what might they be looking for in an agent?

Closure

While recruitment and seekership are probably the most dominant avenues to the emergence of relationships between people, "closure" is sometimes a way in which people end up together. Lemert (1953) developed the term "closure" in reference to people writing bad cheques in order to meet financial obligations. In his study of compulsive gamblers, Lesieur (1977:16) used the term "closure" in reference to the experiences of gamblers caught up in the long term chase:

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[10]See Lofland and Stark (1965), Prus and Irini (1980), Scott (1981) and Hall (1983) for more extensive and illustrated discussions of this concept.

> Closure, the third step in the intensified career of the gambler seems another way of saying that the gambler is in a self-enclosed system. Gambling both creates the problem and is a way of resolving that problem. The easiest way out, it seems, is the same way you get in: gamble (Lesieur, 1977:16).

Referring to people getting involved in deviant activities more generally, Prus and Irini (1980) suggest that:

> To the extent an activity is seen to represent a solution to a pressing problem, persons may find themselves engaging in activities they might otherwise have avoided. Considering it essential to fulfill certain obligations, people may become forced into certain activities. As persons experience a greater sense of urgency to achieve specific obligations, they are more apt to engage in activities they consider likely to result in the fulfillment of those obligations (Prus and Irini, 1980:39).

With respect to people becoming involved in interpersonal conflicts, Roznaczuk (1984:24-25) notes that "closure" is often related to: (1) "concerns with maintaining relationships; and (2) perceptions of violations of trust." In other words, people feel obligated to confront others with whom they are involved in order to resolve conflicts and save relationships. Other times they may feel obligated to confront another when that other has violated the trust they placed in them.

In his ethnography of marketing activities, Prus (1989a) used the term "closure" in reference to people making purchases to satisfy interests or out of perceived social obligations:

> Albeit reluctantly, people may also consider involvements that they would not have chosen when they envision these as meeting their obligations. Thus, for instance, vendors may carry lines that they personally despise in attempts to generate profits. Or many people may buy sump pumps to maintain dry basements rather than because of any particular interest in their inner workings or exterior appearances. Likewise, many products are

> purchased at Christmas because someone needed "something" to meet familial obligations. Recognizing these sorts of obligations, vendors may attempt to promote purchases more generally and immediately by creating closure. To the extent that vendors can intensify existing (product-linked) obligations, indicate urgency, and provide more exclusive routings to solve pressing problems, they increase the likelihood of obtaining target investments (Prus, 1989a:48).

If people experience closure in their choice of a real estate agent, one might ask how and when that occurs? Are people pressured by agents into listing or working with them, or does pressuring people eventually backfire on the agent? If people are pressured into working with an agent, what role might third parties play in such situations? Are people pressured into buying or selling their homes even though they do not want to? If so, how does that happen? And what about prices? Are vendors pressured into accepting less than they expect? What are the implications for the real estate agent-client/customer relationship when people feel they have to work with someone whom they would rather not? How does trust become a problem in relationships where one party is pressured into working with the other? Perhaps this study will shed some light on these questions.

NEUTRALIZING RESERVATIONS (DRIFT)

Regardless of the ways in which vendors and purchasers come together for a real estate transaction or end up with a particular real estate agent, they are frequently faced with "overcoming any reservations" they may hold for dealing with each other. Matza (1964) developed the term "drift" in reference to situations in

which people feel less constrained than usual to act in conventional ways. Although Matza uses the term in reference to freedom from moral restraints, Prus and Irini (1980:24) note that their research into the hotel community suggests that the concept of "drift" can be extended to situations in which people feel released from normally operative constraints. "Drift," they state, is best conceptualized as situational and transient, as people, over time and across situations may experience varying degrees of drift. Under certain conditions they may engage in activities which they usually view as undesirable.

A number of "preventive" and "remedial" strategies which vendors utilize to generate sales were also discovered in Prus' (1989a) retail marketplace study. "Preventive strategies" are intended to reduce the relevance of particular customer concerns before they become disruptive to sales encounters. Use of the media by vendors to establish credibility for their businesses may be seen as engaging in preventive strategies. Preparing oneself for prospect encounters, including developing scripted presentations and carefully qualifying customers, are other types of preventive strategies, and perhaps most centrally is the notion of trust.

Two interrelated themes running through Prus' (1989a) work which are pertinent to promoting sales and developing customer loyalty, are "generating trust" and "neutralizing resistance." He defines "trust" as "a quality attributed to persons (groups, vendors, suppliers) by others; it denotes an anticipation that

these persons will act in manners consistent with one's interests" (Prus, 1989a:104). A number of general practices by which vendors attempt to generate trust emerged from his study. They include: (1) portraying vendor integrity; (2) evidencing product quality; (3) minimizing buyer obligations; and (4) signifying prospect importance. His work also reinforces the importance of "neutralizing reservations" for the generation of trust, especially where purchases are sizeable (or consequential). It also suggests that the establishment of trust in regards to products, suppliers, vendors and/or salespeople, is often a contingency related to buyer commitment to purchase.

"Remedial strategies" come into play when vendors encounter resistance at any point in the encounter. While Prus (1989a) introduced a number of strategies aimed at neutralizing a variety of reservations which salespeople sometimes encounter, four role-taking tactics which can be invoked at any point in an encounter in dealing with virtually any type of resistance was uncovered from his research. They include: (a) being attentive (listening carefully to buyer concerns); (b) inquiring into expressed concerns (obtaining more information); (c) locating limits (as to price, quality, size, etc.); and (d) making concessions (price cuts, quantity, quality, service, warranties, or throw-ins, etc.). The last tactic, "making concessions," may be initiated by either party. "Role-taking tactics" help vendors to define constraints under which buyers may be operating and to address those constraints in efforts to make a sale and/or continue their

relationship.

Prus (1991) also investigated shoppers' perspectives on trust and skepticism in reference to vendors, salespeople, and manufacturers in the retail marketplace. He discovered when and how trust was likely to become problematic. Many purchases in the general retail marketplace, for example, are relatively insignificant, with issues of trust seldom coming into play. On the other hand, where expenditures are large or products ambiguous, he found that trust was more apt to be a concern, although it was more likely to be in reference to the manufacturer or the retailer as opposed to the individual salesperson. He discovered several elements upon which trust may be based including: (1) noticing appearances, (2) resonating to empathy, (3) encountering sincerity, (4) assessing competence, (5) attending to confidence, and (6) valuing autonomy. An additional one which may have have bearing on agent-client/customer relationships is "acknowledging third party definitions" or recommendations. Referrals from trustworthy others often serve to neutralize reservations and make trust less problematic.

Concepts stemming from Prus' (1989a, 1991) works which are applicable to our research will be discussed in greater detail in chapters five through ten. Given that his research centers on buying and selling, and that it examines the buying and selling process from the experiences of both salespeople and shoppers, it most closely reflects the experiences of our buyers, sellers and agents. In addition, since "trust" and "neutralizing reservations"

are major themes running throughout his work, it is to his studies that we turn for the vast majority of concepts which explain not only initial involvements, but continuity as well.

CONTINUING INVOLVEMENTS (BUILDING RELATIONSHIPS)

Once people come together to share an activity or to begin a relationship, continuity is often contingent on their ability to work things out, or to overcome any obstacles they may be encountering. This section discusses the findings of researchers working in other social contexts which may be relevant to continuity. Pertinent to our understanding of continuing involvements are both "preventive" and "remedial" strategies. "Preventive" strategies are utilized to prevent anticipated obstacles from arising, whereas "remedial" strategies are aimed at remedying problems should they occur. Depicting the world as a stage and people as actors involved in the process of attempting to project particular images of themselves to others, Goffman (1959) focuses on the aspects of "personal front" and the ways in which both the actor and others (teammates, audience) play in helping the actor to sustain the impression he or she is trying to convey. Building a relationship may hinge upon how well actors maintain the image of self they anticipate others expect them to project.

In addition to Goffman's (1959) work, the findings of the following authors may assist in helping us to understand how people sustain a certain image or remedy it once it has somehow been challenged in order to sustain their relationships. Haas and

Shaffir (1977) show how medical students utilize impression management to give both patients and other doctors the impression that they are competent. Regehr (1982) discusses the kinds of strategies employed by automobile mechanics in order to maintain the trust and loyalty of their customers. Lyman and Scott (1970) show how the use of accounts or explanations are utilized in bridging the gap between expectations and actions. Prus' (1989a) work on developing loyalty in the retail marketplace uncovered a variety of strategies retail vendors utilize to sustain relationships, some of which may be relevant to initial involvements and reinvolvements as well as to continuing involvements.

An important aspect of Goffman's dramaturgical approach are those with whom the actor interacts. Goffman discusses teams and audiences. He defines a "team" as a set of interacting individuals whose cooperation makes possible certain concealments and team secrets in order to sustain a given definition of the situation. Since all team members are capable of disrupting the performance that would embarrass the team, they rely on one another to maintain secrets and carry out performances. The "audience" (another team) also acts tactfully to help performers save their show. If a team is to sustain the impression it is attempting to foster, members cannot be permitted to join both teams (performing team and audience). Teammates are often entrusted with "secrets." Should the possessor of the entrusted secret disclose the secret, then his or her teammate's performance is threatened, and his or her own

trustworthiness is called into question.

According to Goffman (1959:252-253), the interpretation by the audience is necessary for the emergence of self. In other words the audience must acknowledge that the actor is who he or she claims to be in order for actors to make the kind of impression so intended. In some cases an actor giving off ambiguous cues (incongruent parts of his or her personal front) might be assigned a self by the audience very different from that which the actor was intending to project. Goffman also points out that the most important audience for the actor's self-image is the individual as audience unto him or herself.

Since the "self" is a product of dramatic interaction between the performer and his or her audience, it is subject to disruption. Goffman's dramaturgical approach focuses mainly on the processes (strategies) by which disturbances are prevented or are dealt with once they occur. Actors attempt to control their audience in order that the audience will not disrupt their performance and instead accept the sense of self they present. They therefore act towards the audience in a way they think the audience would expect them to act. This involves techniques which Goffman characterizes as "impression management." Maintaining the self-image they wish to project, and which the audience expects them to project, may depend on how well they handle the disruptions.

Haas and Shaffir (1977) studied the socialization of medical students. They discovered that student-physicians used "impression management" in order to convince others (patients, teachers, fellow

students and staff) that they were competent and confident in their role. Their professionalization into the role of doctors involved the adoption and manipulation of symbols and symbolic behavior to present an image of competence.

In essence the student-physician learns to meet the expections of patients who expect them to know it all, and those of students, staff and faculty whose views or reactions to what they say or do control their reputations and success. Finding, at the outset of their program, that there is a lot to know and very little time in which to learn it, they discover the importance of impression management. Unlike most medical schools where evaluations are based on written examinations, evaluations in this particular school was interactional and interpersonal, occurring mainly during informal discussion groups with other students and doctors, and spontaneously on the wards. Given that their medical knowledge can easily be called into question by fellow students, staff and faculty, they learn to reduce the risk of embarrassment and humiliation by presenting themselves as eager to learn. They also learn that the best way to manage an appearance of competence is to limit competence by only asking questions to which they already have answers. Students realize that to be a good student-physician is either to be competent or to present themselves as competent. Showing others what they do not know often leads to a rejection by those who evaluate them, which does little for their self-confidence.

With patients, too, student-physicians learn to act as if they

are "in the know." This is accomplished by manipulating the symbols of their profession (clothing, tools, language and demeanor). Presenting themselves as if they have all the answers helps patients to have confidence in them and for the student-physician to gain self-confidence.

They also learn to objectify patients by focusing on the patient's pathology instead of empathizing with patients or their families. This detachment enables them to learn more quickly about illnesses and to deal coolly, dispassionately, and authoritatively in the most pressured and trying of circumstances. Adopting a behavior which they believe is expected of them enables them to adopt a professional cloak of competence.

It is also apparent from Haas and Shaffir's (1977) research that student-doctors are engaged in learning the art of deception. It seems that the peer evaluation system is not conducive to learning to be competent, at least in terms of increasing knowledgeability. The patient's best interests seem to be secondary to those of the doctor who is learning primarily to be a good actor and succeed at getting through medical school.

Regehr's (1982) doctoral thesis involves an examination of the role of "trust" in automobile mechanics' relationships with clients. He found that trust was related to (1) "competence" (how well the vehicle performed after repairs were completed) and (2) "cost of the repairs." Regehr identified a number of strategies which mechanics employ to prevent mistrust, or to reestablish trust once it was questioned. He discovered, first, that mechanics often

replace more parts than necessary (creating higher costs) in order to make sure the vehicle runs properly. This decreases the likelihood of the customer returning with a complaint. Second, mechanics often provide a ball-park estimate which is higher than the actual cost. The customer is then pleased when the bill is lower than expected. Third, mechanics usually get permission from the client for necessary repairs before doing them. This usually occurs in the form of a telephone call once they have diagnosed the problem. Fourth, they sometimes return removed or used parts to the customer. Fifth, mechanics attempt to get to know their clients on a more personalized level. Sixth, once trust is in doubt, mechanics often focus on the client's concerns. For example, they may emphasize safety factors in justifying higher than expected costs in order to regain the client's trust.

Long-term loyalty between mechanics and their customers is difficult to achieve according to Regehr's research, as people often buy new cars which they get serviced through the dealerships where the vehicles were purchased, or they take advantage of the bargain specials advertised by specialty shops or other garages. He did note, however, that customers followed trustworthy mechanics to different garages when they changed employment, even at considerable distance. Mechanics working in smaller shops tended to be more concerned with fostering loyalty, whereas those in larger garages tended to focus on volume business.

Regehr's (1982) research doesn't tell us much about how mechanics achieve long-term loyalty, or what they do to promote

reinvolvement. He does provide some insight into how trust is achieved, and, at the same time, how the art of deception is mastered. It seems that the infrequency of contact (when cars break down or require servicing) makes it difficult for mechanics to build relationships with their customers, even for those in smaller garages.

Lyman and Scott (1970:112) speak in terms of "offering an account" which they define as a "linguistic device employed whenever an action is subjected to valuative inquiry." Basically, then, accounts are "explanations" intended to verbally bridge the gap between actions and expectations.[11] Two types of accounts identified by Lyman and Scott (1970:114) are excuses and justifications. "Excuses" are accounts in which one admits that the act in question is inappropriate but denies full responsibility. "Justifications" are accounts in which one accepts responsibility for the act in question, but denies that it is wrongful or blameworthy. Two types of justifications identified by Scott and Lyman (1968) are "denial of the victim" and "appeals to higher loyalties." "Denial of the victim" implies that the act was permissible because the victim deserved the injury. In "appealing to higher loyalty," an action is permissible or even right since it serves the interest of another to whom the actor owes unbreakable allegiance or affection. Accounts are utilized to resolve discrepancies related to people's actions (or inactions), and

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[11]For illustrations of people using accounts to cool out others, see Prus and Sharper (1977:107-123), Regehr (1982:188-198), Miller (1983:145-146), and Roznaczuk (1984).

hence, facilitate the continuance of relationships.

Prus (1989a:223-227) also discovered a number of strategies utilized by retail vendors which were aimed at developing loyalty. Analytically, he differentiates loyalty from repeat patronage. With repeat patronage shoppers may do business with the same vendor more out of convenience, or due to the availability of exclusive products, as opposed to preference. Developing loyalty involves the fostering of long-term relationships. The strategies by which loyalty is fostered include (1) generating trust, (2) indicating personal signification, (3) providing entertainment, (4) exercising diplomacy, and (5) maintaining contact. "Generating trust" involves getting the message through to the buyer that the vendor is acting in the buyer's best interest. In a most general sense, trust is related to vendor integrity, product performance, and minimizing customer risks. "Indicating personal signification" describes the vendor taking a personal interest in the buyer, perhaps by remembering his or her name, information regarding previous purchases, or in showing consideration for his or her current situation or future plans. "Providing entertainment" involves the efforts of salespeople to make purchasing activities more diversified and interesting. This may include additional expenditures such as taking prospects out to lunch. "Exercising diplomacy" describes the actions of vendors handling troublesome situations with tact so as not to offend the customer. "Maintaining contact" is relevant to not only existing customers, but to future prospects as well. While media promotions are a way

of maintaining contact, more explicit vendor-initiated contact involves maintaining contact through mailing lists, telephone calls and personal visits.

DISCONTINUITIES (ENDING RELATIONSHIPS)

While the literature in the previous section attempts to explain the career contingencies upon which relationships may be built, the work of those authors can also help us to understand how they become disassembled. The inverse of the contingencies related to continuity could very well hold true for discontinuity. Consequently, the findings of those authors may assist us in understanding when and how relationships dissipate or come to an end. Similarly, by studying the literature related to disinvolvements, we may glean valuable insight into what people expect of each other, and thus continuity.

This section examines the findings of researchers working in other social settings which demonstrate more explicitly when or how relationships deteriorate or are ended. Hence we will examine Lemert's (1962) depiction of patient's becoming typed as paranoid; Hayes-Bautista's (1976) analysis of terminations in physician-patient relationships; and Roznaczuk's (1984) research regarding trust violations in interpersonal relationships. Lemert's (1962) work demonstrates how both the individual being labelled as paranoid and those with whom he or she interacts develop a distrust for each other resulting in the exclusion of the individual from the group. Hayes-Bautista's (1976) findings provide insight into

when patients are likely to distrust physicians, how terminations are likely to occur, and what doctors may do in efforts to restore their relationships with patients threatening to leave them. He also discusses when and how doctors discontinue seeing patients. Roznaczuk's (1984) research into interpersonal conflicts shows how trust violations are likely to occur.

Lemert (1962) studied the processes by which an individual becomes typed as "paranoid." From studying the records of a number of cases where family members had petitioned to have a relative committed to a mental hospital, and conducting interviews with as many people as possible who were connected with each case (i.e. relatives, work associates, police, physicians, etc., and any others who played significant roles in their lives), Lemert (1962) concluded that paranoia is the result of a set of social relationships the (paranoid) individual has with other people. According to Lemert (1962:134), at some point in the chain of interactions, the perceptions which others have of the individual shift from a normal variant to someone who is "troublesome, untrustworthy, and with whom others do not wish to be involved." Once the perceptual orientation takes place, either through frequent interaction or through the receipt of biographical information, interaction changes qualitatively. "It becomes spurious, distinguished by patronizing, evasion, humoring, guiding conversation onto selected topics, underreaction, and silence, all calculated either to prevent intense interaction or to protect individual and group values by restricting access to them" (Lemert,

1962:134).

The career process (of being viewed as paranoid) generally follows a sequential pattern. Initially, the individual exhibits some type of disruptive behavior, usually the result of some actual or threatened loss of status (i.e. a dispute or separation that the individual feels powerless to do anything about). The problem starts when others (family members or associates) define the individual's outbursts as disruptive to their social order and coalesce against him. Interaction, Lemert notes, then becomes "spurious" (potentially deceptive, misleading) as they attempt to exclude the individual from group activities.[12] They may tell the target one thing, but do something else which is contradictory to what they say. The target generally becomes suspicious (upset or angry) and demands that they be honest with him or her. The others view the target as getting excited for no good reason, reinforcing their belief that he or she is, in fact, dangerous. Consequently the target gets repeatedly angry or upset in attempts to get some honest answers and confirm his or her status within the group. Thus the individual gets labelled "paranoid," not because there is something wrong with him or her, but because he or she is repeatedly forced into confrontations in an effort to communicate with others who, because he or she is seen as troublesome, tend to conspire against him or her. All parties to the relationship can be seen to develop feelings of distrust (and paranoia). He or she

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[12]For some other situations in which "spurious interaction" seems in evidence, see "family adjustment to alcoholism" (Jackson, 1954) and "the reluctant robbers" (Korn and McCorkle, 1959).

thinks they are out to get him or her and they think he or she is out to get them.

We can also build on the work of Hayes-Bautista (1976) who cites several contingencies under which health-care practitioners and patients bring their relationships to an end. Among the concerns noted on the part of patients which could have a similar bearing on real estate agent-client/customer relationships are (1) competence, (2) friendliness, and (3) trust. Examining terminations between patients and health-care practitioners from the perspectives of patients, he notes that "competency" was based on three criteria: (1) absolute inadequacy; (2) change in competency; and (3) comparison with others' competencies. Practitioners thought to exhibit incorrect or unsure responses were often viewed as lacking competence. Competency was also called into question when doctors were successful in treating one condition or aspect of the disease, but later were not so successful in treating another condition. As well, when patients found other practitioners to be more competent in treating certain aspects of their condition, they were likely to change practitioners.

Sometimes practitioners were viewed as competent but other concerns emerged which resulted in disinvolvement. Practitioners who did not exhibit "friendly" demeanors were dropped by patients for friendlier practitioners. Other times patients discontinued going to a practitioner because of "affordability."

Practitioners also sometimes took an active role in

terminating patients. Doing so was mainly due to acts of "non-compliance." Patients who could not, or would not pay their bills, who failed to keep their appointments, or who modified prescribed treatments, were likely candidates for termination by practitioners.

Hayes-Bautista also identified a number of styles by which relationships between patients and practitioners were ended. They include (1) mutual withdrawal, (2) confrontation, (3) fade-out (patient simply does not return), (4) hand-off (practitioner refers patient to another practitioner in order to terminate patient), and (5) put-off (practitioner refuses to give patient satisfaction in a number of aspects so patient will lose patience with the practitioner and seek the services of another practitioner).

He also found three prolonging tactics whereby practitioners attempt to thwart patient-initiated terminations, and hence, maintain the relationship. One tactic utilized by practitioners is to remind patients of the practitioner's knowledge and expertise in order to validate their assessment. A second tactic is to warn (threaten) the patient of the dire consequences of interrupting the prescribed treatment. A third tactic is to encourage the patient to think of the doctor as a friend.

While researching interpersonal conflicts, Roznaczuk (1984:26-30), discovered that "trust violations" assumed three forms: (1) unfulfilled obligations, (2) disregarded agreements, and (3) put downs. In all cases, some implied expectation is not being met. When experiencing any of these forms of trust violations, people

may take the trouble up with the violator. The way in which they do so, of course, differs from individual to individual, and ranges from direct "confrontation" to "doing nothing." While successfully remedying troublesome situations may make it possible for relationships to continue, such an outcome does not always happen. In fact, Roznaczuk found that people were more apt to confront others with the intention of resolving problems when relationships were more important to them. Even when the trouble is remedied, the fact that a breach of trust had occurred sometimes resulted in the deterioration of the relationship.

It is apparent from the above discussion that the prevention of trouble or the occurrence of trust violations may be vital to the continuation of relationships. Once an apparent violation of trust has occurred, it may not always be possible to undo it. Even where a successful remedy is invoked, doubt as to the trustworthiness of the perpetrator may continue. This may lead to a gradual disengagement from the relationship, or in some cases a more abrupt end to it. Lemert (1962) demonstrated how an inappropriate emotional outburst in a time of crisis, which we are all capable of, can result in increasing distrust and the eventual deterioration of the relationship. His work also shows the importance of sincere communications as a means of resolving problems, preventing distrust, and ultimately saving relationships. Hayes-Bautista (1976) showed us when disinvolvement is likely to occur in doctor-patient relationships. More importantly, his work provides valuable insight into the kinds of expectations patients

have for doctors and vice versa. If these expectations could be met, then the relationship would not be lost. Roznaczuk (1984) identifies how trust violations are likely to occur in interpersonal relationships, which, once they occur, often result in deterioration of those relationships. Knowing how they occur assists us in understanding how to prevent their occurrence and ultimately increases the chances of maintaining relationships. Taken together, the findings of these researchers may help us to better comprehend the dynamics of continuity and discontinuity in agent-client/customer relationships.

MAKING DEALS

Since maintaining a relationship may be contingent on there being a successful outcome, especially where people come together for the purposes of attaining some mutual goal, failure to do so could jeopardize the relationship. Given that the goal in real estate is to buy or sell a home, the failure of the agent to facilitate or bring about a deal could mean the end of the relationship. This section therefore examines some of the literature that may help us to better understand the reaching of deals, or the inability to do so. Prus' (1989a) work on obtaining commitments and dealing with shoppers in groups introduces us to some of the strategies salespeople use to close deals and to deal with influential third parties who may interfere with a purchase. Ross (1980) discusses the kinds of tactics used by adjusters and attorneys in negotiating injury claims in order to reach a settlement and prevent going to

court. Roth (1974) analyzes the ways in which doctors and patients suffering from tuberculosis negotiate the patient's treatment.

Prus (1989a) discusses the ways in which vendors or salespeople attempt to obtain purchasing commitments. He discovered several different strategies for closing deals that may be used concurrently and/or sequentially. "Closing by inquiry" may be attempted when prospects do not indicate their willingness to make a purchase. Salespeople may simply ask for the sale. For example, "Are you ready to buy?" Or, "Why don't you buy now?" Prospects may then participate in defining the terms of the sale and salespeople may agree to certain concessions to sweeten the deal. "Closing by assumption" describes salespeople acting as if a bargain has already been struck. They may begin totalling bills or wrapping merchandise without explicit approval, or assure prospects that their choice was right. "Closing by justification" is more apt to take place in situations where there is a greater sense of urgency, and salespeople tend to build on the prospects sense of responsibility or obligations. "Closing by indicating limitations" may be employed in situations where products are available for a limited time only, are in short supply, or are subject to future price increases. "Closing by indicating openness" suggests that prospects have a greater range of options than the immediate purchase would indicate. For example, they can always return an item if it doesn't fit, or trade it in on an upgrade at a later date. "Closing by default" involves placing the onus for making a purchase on the prospect. "Closing with

assistance" may occur where salespeople are encountering difficulty satisfying particular prospects and turn them over to co-workers. My research will look at how agents close deals in light of these strategies.

Also related to obtaining commitments is the ways in which salespeople deal with group shoppers or third parties who may interfere with a potential sale. Prus (1989a) notes that groups can be helpful or threatening to the salesperson. Among the ways salespeople may deal with people in group settings include (1) soliciting favorable definitions, (2) pitching to influentials, (3) pursuing group consensus, (4) blending in, and (5) discrediting disrupters. "Soliciting favorable definitions" expresses the salesperson's attempts to elicit positive assessments from group members regarding the products featured. "Pitching to influentials" reflects the efforts of salespeople to concentrate on the person within the group who is likely to be the most influential decision-maker, as opposed to those who are paying for the purchase. "Pursuing group concensus" involves reconciling group perspectives when members are financially interdependent or accountable to one another. "Blending in" describes the efforts of the salesperson to be accepted as a friend or insider. "Discrediting disrupters" reflects the attempts of salespeople to contest the definitions promoted by third parties, contingent, of course, upon who the third party may be. Should the third party be a parent, for example, the salesperson is probably less likely to choose this strategy. While dealing with groups is not a common

occurrence in the residential real estate marketplace (although influential third parties do occasionally accompany prospects), third parties are often consulted at different points in the relationship, most likely at the time a preliminary commitment to submit an offer has been reached.

Ross' (1980) research into the processing of insurance liability claims indicates how "strategies" and "counter-strategies" are used by both the claimant (including the claimant's attorney) and representatives of the insurance company in attempts to realign one another's behavior and bring about a more "favorable settlement." He notes that most claims are negotiated successfully, out of court, as neither party wants to risk the unpredictable outcome and increased expenses associated with litigation. The expected value of litigation is the most important factor influencing the settlement, and, in the early stages of negotiations, each party tries to manipulate the expectations of the other concerning this matter. The most effective "strategy" used by attorneys is for the complainant to manage the appearance of both "liability and injury." Information is generally withheld and released only when it can support, but not limit, the strength of the case. This strategy is based on the attorneys' perspective that insurance companies usually attempt to settle claims as "cheaply as possible."

Insurance companies, for their part, usually have an adjuster approach all people involved in an injury-producing accident as quickly as possible. According to Ross (1980:67), their "strategy"

is based on the the following three assumptions, "(1) most victims make claims, (2) any delay increases the likelihood that claimants will retain lawyers, and (3) represented claims are more expensive to settle."

Among the considerations all parties have when negotiating claims are (1) their own expectations or target, and (2) their opponent's "resistance point." Discovering how little a claimant's attorney might take, or how high an insurance company might go, is pertinent to reaching an agreement. Both parties want to get the best deal possible, and knowing each other's resistance point helps to facilitate a settlement.

Adjusters often use different strategies with unrepresented claimants as opposed to dealing with an attorney. When claimants are not represented, adjusters often use the "Boulwareian technique," where a single, "take-it-or-leave-it" offer is made to the claimant. With represented claimants, the first offer is seldom meant to be accepted. It is more often intended to open communications and help negotiating parties to indicate their positions to, or expectations of, each other.

Among the strategies utilized by all parties in order to swing negotiations their way, are rationalizations, threat, and delay. "Rationalizations" are tactics intended to legitimize proposals in the eyes of opponents (Ross, 1980:154). "Threats" are attempts to change an opponent's expectations. The most common threat is to go to court. Going to court increases costs and creates uncertainty as to the outcome. "Delay" can be harmful to both sides, but is

usually more harmful to the claimant who might not have sufficient income to pay medical and day-to-day expenses with an unsettled claim. When dealing with large claims, insurance companies usually require the file to be reviewed by two or more supervisory levels. In this sense, delay can be used as an effective bargaining tactic to reduce settlements. On the other hand, attorneys who deal repeatedly with the same company expect more "considerations." Failure to oblige often makes future negotiations difficult for the insurance company.

Based on his experiences as a tuberculosis patient and observations as a researcher and as an attendant in tuberculosis hospitals, Julius Roth (1974) studied the ways by which patients and physicians negotiated patients' treatments. Negotiations made it possible for the doctor-patient relationship to continue. He concluded that the treatment relationship could be understood as a conflict for control of the patient's behavior, which was usually resolved by bargaining.

The goal of the physician is to arrest the infection in patient's lungs and prevent patients from infecting others. While patients also want to get better, the long periods of hospitalization can become frustrating for patients and lead to concerns for more and longer home visits, and the urgency to return to work or other activities. In general, patients want more and earlier privileges. The staff, on the other hand, would rather: grant fewer and shorter passes for home visits; keep infected patients in hospital longer; and put more restrictions on patients

for longer time periods.

Roth (1974:455) concluded that most bargaining is a product of the "anticipation" of the parties involved regarding the likely or possible consequences of their behavior. Patients, for example, learn from discussions with other patients as to what kinds of requests for home visits are likely to be viewed as "reasonable." Those who want earlier or longer passes than what is usually granted, anticipate that requesting shorter increases in time will more likely be met with success. "Unreasonable requests," on the other hand, are anticipated to anger physicians and result in no pass at all. In other words, unreasonable requests would likely weaken their bargaining position and make further negotiations impossible.

Doctors also "anticipate" the patient's response to their actions by taking into consideration the patient's willingness to continue treatment. They try to anticipate whether a patient will be unduly upset or leave the hospital against their advice if not granted a pass. They also anticipate the effects on other patients of granting "special passes."

REINVOLVEMENTS (RENEWING RELATIONSHIPS)

Probably the most neglected stage in the career contingency model is "reinvolvements." Most authors, it seems, focus on the first three stages. It could very well be that little data exists concerning reinvolvement, especially where to focus is on relationships. Becker (1973) gives us some indication on how

marijuana users who quit smoking sometimes become reinvolved in that activity. Most often it is by accepting the definition of others that the drug produces pleasureable effects. However, it is Lesieur's (1977) research into the abstinence-relapse cycle of gamblers and Prus' (1989a, 1989b) research into the revitalization of patronage in the marketplace which is most insightful.

Lesieur's (1977) study of gamblers becoming reinvolved in gambling once they had quit indicates that returning to gambling is contingent upon the influence of friends and acquaintances; the resolution of closure; the desire to gamble; and financial crisis. Gambling friends sometimes encourage gamblers to try again, even offering to back them (loan them money). Just seeing acquaintances doing a little gambling (office pools, etc.) may be enough to start the ball rolling. Second, gamblers may feel pressure to return to gambling, especially when they've experienced past success. Gamblers often feel they can win money back the way they lost it. In some cases gamblers just miss the excitement and relish reinvolvement. Other times, gamblers may relapse when they are experiencing financial crisis. Gambling provides a quick way, if successful, of resolving their financial difficulties.

Prus' (1989a) work is probably the most applicable to agent-client/customer relationships. He suggests that should disinvolvement with a particular product, brand or vendor prove to be unsatisfactory, reinvolvement becomes a viable option. This, of course, is more likely if prospects were relatively satisfied with the past vendor. As with initial involvements, reinvolvements may

be sought out by buyers (seekership), promoted by vendors (recruitment), or they may have little choice but to return in order to meet pressing obligations (closure).

Prus (1989a:50) also notes that reinvolvement is more likely when disinvolvement takes place on a more congenial level, and when patrons experience some "disenchantment" with new products and either the buyer or the seller has made some changes which justify renewing contact. In addition, many of the strategies discussed earlier related to developing loyalty, especially "maintaining contact," may promote reinvolvement.

CONCEPTUAL OVERVIEW

This chapter has reviewed the concepts developed by researchers working in a variety of social settings which provide the organizational framework for this study and the concepts by which to analyze our data. The theoretical approach utilized in this study is that of symbolic interactionism. Symbolic interactionism sees human association as (a) perspectival, (b) reflective, (c) negotiable, (d) relational, and (e) processual in nature. "While each of these concepts is integral to the development of a generic ethnographic sociology, the concept of process may provide the most continuity both within and across situations" (Prus, 1987:272). Depicting process, the "career contingency model" provides us with a way of organizing the study in order to capture the processes by which relationships between real estate agents and their buyers or sellers emerge and unfold. This model identified four stages in

the career or relationship process, (1) initial involvement, (2) continuity, (3) discontinuity, and (4) reinvolvement. In terms of the emergence of relationships, seekership, recruitment and closure may be routes to initial involvement. This is qualified by a fourth concept, "drift." Pertinent to our study will be identifying the kinds of reservations buyers and sellers have for dealing with agents (and vice versa), and, when and how they overcome their reservations (drift).

We also looked at the literature related to "managing impressions." Goffman's (1959) notion of impression management, particularly his ideas regarding "front stage" and "personal front" (appearance and demeanor) were most important. Prus' (1991) examination of shopper's perspectives in regards to retail vendors or salespeople "generating trust," revealed a number of contingencies upon which trust and the willingness to deal with the salesperson may occur.

A review of Prus' (1989a) retail marketplace research seems to be insightful in terms of "developing interest." He identified three strategies by which retail salespeople may attempt to generate trust, and consequently to get shoppers to buy from them. They include (1) conserving prospect resources, (2) making it easy, and (3) providing greater purchasing autonomy.

In terms of "neutralizing reservations," once again, the works of Prus (1989a, 1991) were reviewed. Prus (1989a) identified a number of preventive and remedial strategies aimed at neutralizing buyer reservations utilized by vendors in the retail marketplace.

Prus' (1991) research focused on the kinds of things retail vendors did or did not do, from the buyers' perspective, which helped buyers to trust them. It is expected that his findings will help us to better understand initial involvements in agent-client/customer relationships. In fact, I would expect that this study will lean heavily on the concepts developed by Prus (1989a, 1991) given that these studies, like mine, are related to buying and selling. His works will not only be relevant to initial involvements, but continuity in terms of the development of customer loyalty as well.

We also examined literature more specifically related to continuing involvements. Goffman's (1959) work on "impression management" provides some insight into how people present themselves, including the role of others in helping to sustain the particular image of self the individual is projecting. Haas and Shaffir (1977) looked at the ways in which student-doctors generate trust with patients, peers, faculty and staff in order to generate an image of competence in regards to practicing medicine. Regehr (1982) looked at the kinds of strategies car mechanics use to generate trust and maintain the loyalty of their customers. Lyman and Scott (1970) and Scott and Lyman (1968) analyzed the ways in which accounts are used in explaining one's behavior. Prus' (1989a) research into the retail marketplace revealed a number of strategies by which salespeople promote customer loyalty.

Building on the findings of the above researchers should help us to understand how real estate agents are able to maintain their

relationships with buyers and sellers. Given that agents are involved in the art of impression management and that they compete with other agents to represent buyers and/or sellers, Goffman's (1959) work may help us to decipher how agents manage a successful performance, and thus maintain the loyalty of those they represent. His analysis may also assist us in understanding what goes wrong which could lead to a loss of face, distrust, and perhaps the loss of the relationship. We will also draw on Haas and Shaffir's (1977) research to see if (and how) agents are faced with the same problem of convincing others of their competence. It will be interesting to see if the establishment of trust in agent-client/customer relationships reflects the strategies Regehr (1982) discovered in mechanic-customer relationships. Should problems arise between real estate agents and those they represent, Lyman and Scott's (1970) and Scott and Lyman's (1968) analyses of "excuses" and "justifications" may be relevant to our understanding of resolution or perhaps the termination of relationships. More specifically, the work of House (1977) and Angrist (1984), addressed in the section on research conducted in a real estate setting, may also provide us with some of the concepts which help us to understand how agents try to maintain the loyalty of their clients and/or customers.

In terms of the literature more focused on disinvolvements, we examined Lemert's (1962) work on paranoia and the dynamics of exclusion, Hayes-Bautista's (1976) research into termination in health care practitioner-patient relationships, and Roznaczuk's

(1984) analyses of interpersonal conflicts. Lemert's (1962) research may provide insight into the spurious nature of communications and how relationships between agents and their clients and customers may deteriorate. Hayes-Bautista's (1976) work could help us to understand how competence may come into question, for physicians provide a service as do real estate agents, and given what is at stake, I would expect competence to be a primary concern. His study might also provide us with the concepts to explain how relationships between agents and buyers and/or sellers are brought to an end. Roznaczuk's (1984) research should be especially helpful in shedding some light on how trust violations are likely to occur.

Given that the goal of the real estate agent and their client or customer is to buy or sell a home, it all comes together when a deal is reached. Conversely, the relationship may be lost if a successful conclusion cannot be achieved. Prus' (1989a) research into the strategies by which salespeople attempt to "close deals" provides valuable insight into how salespeople may influence shoppers who are hesitant about making purchases. Similarly, his work on "group shopping" suggests ways in which salespeople may deal with third parties who may kill a potential deal. Since agents are involved in negotiations at various stages of their relationships with buyers and/or sellers (in regards to listing commission, list price, advertising, open houses, inclusions or exclusions, construction of offers, accepting or rejecting offers, etc.), Ross' (1980) work on the negotiating of personal liability

claims and Roth's (1974) research into doctor-patient negotiations may be helpful.

Where buyers and sellers are satisfied with the outcome, reinvolvement at a later time is more likely. While relatively little research exists regarding reinvolvements, some insight may be gleaned into this process from Becker's (1973) marijuana users, Lesieur's (1977) gamblers and Prus'(1989a) shoppers.

CHAPTER III

METHODOLOGY

Faced with the task of discovering "universal forms" which display themselves in different contexts (Simmel, 1950; Denzin, 1970a:87), this study aims to discover the forms relating to the emergence, continuity, discontinuity and reinvolvement of real estate agent-client/customer relationships. In order to do so, "intensive interviewing" and "participant observation" were selected as the methods most suited to uncovering these forms. While taped interviews were the principal means of gathering data, as a licenced member of the Kitchener-Waterloo Real Estate Board, I was able to draw on my own experiences and observations while participating in real estate sales activities.

This chapter addresses the relationship between theory and methods as viewed by interactionists, the research method chosen, and, the collection and analyzing of the data. Accordingly, this section examines: (1) the use of sensitizing concepts; (2) the grounded theory approach; (3) generic social processes; (4) qualitative methods; (5) data collection; (6) the issues of reliability, validity, and generalizability; and (7) data analysis.

SENSITIZING CONCEPTS

> Theory is of value in the empirical sciences only to the extent to which it connects fruitfully with the empirical world. Concepts are the means, and the only means of establishing such connection, for it is the concept that points to the empirical instances about which a theoretical proposal is made (Blumer, 1969:143).

Blumer (1969) advocates the use of "sensitizing concepts" as

the means of connecting theory to the empirical world and in the development of theory. According to Blumer (1969:148), in the natural, empirical world, every object (person, group, institution, practice, etc.) has a distinctive or unique character and lies in the context of a similar distinctive character. This is why interactionists use sensitizing concepts. Only by working through each distinctive empirical instance can common elements be deciphered. "Sensitizing concepts" can be tested and refined and their validity assessed, through careful examination of the empirical instances. The kinds of features that do not appear to be adequately covered by the concept become the means of revising them.

An example of how a researcher might use a sensitizing approach is provided by Denzin (1970a:86) in relation to intelligence. Rather than starting with some operational definition such as a score on an I.Q. test, the researcher will leave it nonoperationalized when entering the field, so as to learn the processes representing it and the specific meanings attached to it by the persons being observed. Marijuana users, for example, may view intelligence as the ability of a user to conceal the effects of the drug from nonusers.

Goffman's (1963) treatment of stigma is another example of what is meant by sensitizing a concept and how formal theory can be developed. He began with a somewhat vague or loose definition of stigma which he described as "an attribute that is deeply discrediting" (Goffman, 1963:3). He then identified three grossly

different types of stigma: (1) abominations of the body (various physical deformities); (2) blemishes of individual character (imprisonment, addiction, alcoholism, homosexuality, etc.); and (3) tribal stigma (race, nation, religion). He then analyzed data collected by different specialty areas within sociology such as social problems, ethnic relations, social disorganization, criminology, and deviance. From these areas he was able to identify commonalities which were organized around the stigma theme. By looking at stigma within each of these substantive areas and uncovering what was common across the several different settings, he was able to develop a "formal theory" related to individuals coping with a stigmatized identity.

GROUNDED THEORY

Blumer proposed a methodology by which sensitizing concepts can be used to develop formal theory. This involves a twofold process of "exploration" and "inspection." "Exploration" involves the researcher approaching concrete situations prepared to observe and then revise his or her observations as new impressions of the situation arise. This is followed by a process of "inspection" whereby researchers use their observations to dictate how scientific concepts are to be refined and incorporated into more abstract and generic statements of relationships among concepts. In this way the abstract concepts and propositions of sociological theory can be connected to the empirical world of the actors.

Consistent with Blumer's ideas, Glaser and Strauss (1967)

developed a methodology for use by qualitative researchers whereby both sensitizing concepts and theory are discovered in the data (rather than from a priori assumptions, other research, or existing theoretical frameworks). In fact, Glaser and Strauss suggest that researchers do as little reading as possible prior to beginning their study so as not to contaminate their data,[1] or impose pre-existing frames on the data. For Glaser and Strauss, the collection, sorting, and analyzing of data, and the development of theory take place simultaneously. Two main strategies proposed by Glaser and Strauss, for developing grounded theory, are the (1) constant comparative method and (2) theoretical sampling. In regards to the "constant comparative method," the researcher simultaneously codes and analyzes the data in order to develop concepts.[2] By continual comparisons, the concepts are refined, properties identified, relationships to one another explored, and integration into a theory takes place. Theoretical sampling involves the selection of new cases according to their potential for helping to refine or expand on the concepts or theory developed

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[1]However, by the time the researcher is ready for an intensive analysis of his or her data, he or she should be familiar with the sociological literature and theoretical framework relevant to the research, which might come from a different substantive area.

[2]The data are coded according to ideas, themes, concepts, interpretations, and propositions. As the research progresses, the categories (and separate coding scheme) are collapsed, expanded, added to, and redefined, as initially vague ideas or hunches are refined, expanded, discarded or fully developed.

up until that point in time.[3]

Developing concepts is an emergent process. The first step is to:

> look for words and phrases in informants' own vocabularies that capture the meaning of what they say or do. Concepts from informants are referred to as concrete concepts; the concrete concept is derived indigenously from the culture studied; it takes its meaning solely from that culture and not from the scientist's definition of it (Bruyn, 1966:39).

Second, as themes are noted in the data, acts and statements are compared with one another. Glaser and Strauss (1967:106) suggest that this comparison can usually be done from memory. Third, as different themes are identified, then the researcher should look for underlying similarities between them (perhaps a word or phrase which conveys how they are similar).

Glaser and Strauss (1967:32) distinguish between "substantive" and "formal" theory:

> By substantive theory, we mean that developed for a substantive, or empirical, area of sociological inquiry, such as patient care, race relations, professional education, delinquency, or research organizations. By formal theory, we mean that developed for a formal, or conceptual, area of sociological inquiry, such as stigma, deviant behavior, formal organizations, socialization, status incongruency, authority and power, reward systems, or social mobility.

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[3]"Theoretical or judgemental sampling is a form of nonprobability sampling that depends on the researcher's ability to make decisions about what to observe based on constraints such as opportunity, personal interest, resources, and, most important, the problems to be investigated" (Jorgenson, 1989:50). Glaser and Strauss (1967) emphasize that negative cases should be carefully analyzed, often resulting in revising interpretations and identifying new directions to be pursued. In other words, more interviews should be sought with those whom the researcher believes are knowledgeable in the new area being explored.

They suggest that researchers should first develop substantive theories, then, through comparing their theory with parallel theories in other substantive areas, formal theory can be generated.

GENERIC SOCIAL PROCESSES

The development of "generic social processes," like formal theory, involves comparing concepts across a plurality of social contexts. As Prus (1987:251) notes:

> The phrase generic social processes refers to the transsituational elements of interaction, to the abstracted formulations of social behavior. Denoting parallel sequences of activity across divergent contexts, generic social processes highlight the emergent, interpretive features of association; they focus on the activities involved in the doing or accomplishment of group life.

Interactionists working in the ethnographic tradition are concerned with concepts that embody the interpretive process. Interactionists "assume a conceptual approach that envisions group life as an ongoing series of constructions shaped by active, living, thinking beings" (Prus, 1987:252). Ethnographers must concentrate on social processes in order to develop a theory of action grounded in the experiences of human beings.

Ethnographic research is concerned with achieving intimate familiarity with group life. The methods by which they do so include participant observation, interviews, diaries, letters and other documents. In all cases, as Prus (1987:255) points out, they must be mindful of what seems to be the fundamental elements of the phenomena under study:

> Most centrally, group life may be said to be (a) perspectival, (b) reflective, (c) negotiable, (d) relational, and (e) processual. Simply expressed, this position allows for (a) the existence of multiple realities (or world views), (b) people's capacities for ongoing interpretations or symbolic thought, (c) people's abilities to influence one another's viewpoints, definitions, and experiences, (d) people's tendencies to develop particularistic, interactive bonds with others, and (e) the emergent, ongoing nature of group life. While fundamentally attuned to the significance of each of these dimensions of group life, process assumes particular prominence as an organizing theme. Hence the emphasis is on studying perspectives, reflectivity, negotiations, and relationships in process terms. Contextualized in this manner, process becomes the single most powerful conceptual feature in the development of a generic sociology (Prus, 1987:255).

QUALITATIVE METHODS AS AN APPROACH

Given that "methods become plans of action employed as sociologists move from theory to reality" (Denzin, 1970a:85), researchers are faced with the task of choosing methods which will facilitate their aims and objectives. Since the aim of this study is to discover the "generic processes" by which real estate agent-client/customer relationships emerge, continue or discontinue, a qualitative approach is utilized. "Qualitative methods" are consistent with the interactionist's theoretical orientations. Envisioning people as creating and constructing their lines of action during interaction with one another, the interactionists consider theory and methods inseparable.

Qualitative researchers typically attempt to collect "descriptive data" from people's own written or spoken words and observable behavior (Denzin, 1970b:4). While some data were

obtained through participant observation, given that I incorporated some of my own experiences and observations as a real estate agent into this study, "intensive interviewing" was the principal means of obtaining data on real estate agent-client/customer relationships.

Bogdan and Taylor (1975:78) note that in-depth interviews have the advantage of permitting researchers to: (a) learn about events and activities that cannot be observed directly (in this sense interviewees are informants); (b) interview a relatively large number of people in a relatively short period of time compared to what would be required in participant observation research; (c) gather information on past events or on settings or people to whom they have no access; and (d) work within time constraints (e.g. writing a dissertation).

There are certain drawbacks to the interview situation as there are to any method of data collection. Interviews are subject to the same fabrications, deceptions, exaggerations and distortions which characterize any dyadic relationship. However, as Hammersley and Atkinson (1983:112) point out, there is no such thing as pure data, free from potential bias. Our goal is to understand how the presence of the researcher shapes the data and therefore interpret whatever we have in the correct manner. Dean and Whyte (1958:105-106) also note that the interview scene can be highly situational with respondents being concerned with (a) offending the interviewer; (b) pleasing the interviewer, and (c) releasing information perceived as personal or confidential. In addition,

questionnaires and tape recorders intrude as foreign elements into the scene and, to some extent, create the kinds of concerns recognized by the above authors.

All things considered, intensive interviewing is the most informative way of gathering information on people's experiences with buying and selling real estate, their experiences with real estate agents, and real estate agents' experiences with them.

COLLECTING THE DATA

The primary source of data was obtained from "informally structured interviews" with ninety-three adults, mostly from the Kitchener-Waterloo and Brantford areas. The first wave of interviews was conducted in the Kitchener-Waterloo area beginning in the fall of 1992 and extending into the spring of 1993. Kitchener-Waterloo is comprised of two separate but adjoining cities located in southwestern Ontario, approximately one hour's drive from Toronto. It is one of the most progressive communities of its size in Ontario, with two universities in Waterloo and many prospering industries located in both cities. Together they form a moderate sized Ontario community with a combined population of around 250,000 people. The area has a wide variety of housing styles and a wide range of housing prices. Most of our interviews came from home owners in the low to lower middle price range ($100,000 to $200,000) with a few below $100,000 and one or two above $200,000. Additional data was obtained later in the study through casual conversations with real estate agents working in other real estate

jurisdictions in Ontario.

A second wave of interviews was conducted in the Brantford area in the winter and spring of 1997. An additional seventeen adults were interviewed. Brantford is a small city located approximately 40 miles south of Kitchener-Waterloo. It has a population of approximately 82,000 people. Since the closing of the Massey tractor company several years ago, an industry on which Brantford was heavily dependant, the economy of the city has struggled. Nevertheless, it does have a wide range of housing styles and price ranges, and it has experienced a recent explosion in 1996 and 1997 in terms of the residential real estate market. The vendors I interviewed were from the lower end of the market, with homes priced somewhere in the $70,000 to $150,000 range.

The interviews, most of which were tape recorded, were conducted at the informant's residence or place of work. Of the seventy-two buyers or sellers, sixteen were people who had their homes for sale privately. They were contacted either through attending open houses which were advertised in the local newspaper or The Pennysaver (a free local paper full of advertisements), through cruising around and dropping into places where there was an "open house sign" on the front lawn, or by telephone.

During the first wave of interviews, forty subjects (buyers or sellers) were mostly chosen at random. Being a licenced member of the Kitchener-Waterloo Real Estate Board enabled me to possess "sold books" provided by the board. I would then choose a street at random, usually in an area which had a high turnover rate, and

then check the most recent issues covering a one year period for addresses sold during this time. I was careful not to look up any information on the property, like the identity of the listing agent, so as not to bias my research. I would then knock on the door, introduce myself, and tell the occupant about my research and why I was doing it. A covering letter in compliance with the guidelines of the Office of Human Research at the University of Waterloo was provided at that time.

Approximately half the people I approached invited me in on the spot for the interview. Another three out of ten set up an appointment for a later time. About two out of ten either said they were not interested or evaded me. Four of my informants were volunteers whom I knew in some other capacity, while one, a couple, were vendors whose home I had listed for sale at the time.

I selected people who had bought or sold homes recently, working on the assumption that they would be able to recall their experiences in greater detail, since the event was still fresh in their minds. Each person was asked not only about their recent move, but about other times they had bought and/or sold a home. Many of the interviewees had owned more than one house, so they could relate a number of experiences to me with the same or different real estate agent.

When I conducted the second wave of interviews in Brantford, I did not have access to the local MLS books, so I was unable to choose informants randomly. Instead, I contacted vendors who either had a sold sign, a for sale sign, or a for sale by owner

sign on their front lawn. Usually I just drove around and knocked on the door. The response was much the same as when I did the first wave of interviews. There were two people who agreed to the interview but would not let me tape. One informant claimed she didn't trust people in general, but she allowed me to take notes, verbatim, and it was an interesting interview. Another claimed he was in the midst of packing and didn't have much time. Again, he agreed to let me take notes. Once the interview got started, his enthusiasm for sharing his experiences increased and we talked for close to an hour. He seemed pleased with the interview. Following the interview, I immediately made notes to myself then went home and recorded the interview data on my computer.

Several times I went out and failed to find people home. Not wanting to lose too much time, I resorted to looking up the names of home owners from the assessment records at Brantford City Hall. I then found their phone numbers and did the interviews by telephone. Where I had their permission, I taped the sessions. Otherwise, I kept a writing pad in front of me and took careful notes, verbatim. To indicate the willingness of people to help, even over the telephone, one interview lasted approximately two hours. While many of the informants were selected at random, some were selected according to the listing agent. After learning who the area's top producers were, I targeted their vendors to learn about how they decided to list with them and their subsequent experiences.

As well, twenty-one real estate agents were interviewed,

thirteen of them formally, with the other eight being asked pointed questions, after, or during, which I made notes. Of the twenty-one real estate agents, eight were top producers earning more than $70,000 per year. The highest producer in Kitchener-Waterloo earned around $175,000 in 1992 while another agent's earnings were probably well over $100,000 per year. In Brantford, the highest producer I interviewed earned consistently between $200,000 and $500,000 per year. Five of the agents were low producers, likely earning less than $20,000 per year.[4] Two informants were brokers, one of whom was non-competing (not selling),[5] while a second worked by himself in a small brokerage firm which he owned. While some of the agents were people whom I knew personally, others were referred to me by their manager who informed me of their different styles of doing business, and why I might find it interesting to interview them.

The interviews were conducted rather informally through ongoing dialogue between the informants and myself, but structured in the sense of there being a number of questions intended to insure a comprehensive collection of the data required for this

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[4]The information I've provided is not meant to be interpreted as fixed categories. The amounts earned are approximates. In some cases I'm constructing a picture based on an estimate from the agent's reputation and what they've indicated about themselves. In other cases, I've seen office material showing their gross earnings. Many of them earned over $90,000. The earnings of the low producers is strictly guess work based on my knowledge of them, their company, their splits in commission, and the volume of business I think they handle.

[5]Since non-competing brokers are often in the position to take referrals from out-of-town brokers, they usually develop some system of passing these referrals to their salespeople.

study. I revised the questionnaire as the study proceeded, pursuing new avenues and adjusting each interview to the experiences of the informants. In other words, I probed more deeply the subject areas which emerged in the interviews as yielding the richest information, according to the experiences of the informants.

In order to minimize the obtrusive effects of the interview situation, efforts were made to make the volunteers as relaxed as possible. At the beginning of the interview, participants were told that, although I was a licenced real estate agent, my intentions were purely scholarly. If any questions arose which they did not wish to answer, they did not have to, and if, for any reason they wanted to end the interview, they were free to do so. They were also informed that the study was strictly confidential and that they should not use any real names. With that in mind, participants were asked to describe their experiences both past and present in buying and selling real estate. Purchasers and vendors were also asked to describe their experiences with real estate agents; how they initially came into contact with agents; how they decided to utilize an agent's services; what they liked or did not like about these services; whether they would use the agent again; and how they terminated the agent's services, if applicable.

Private vendors were asked about their experiences, both past and present with real estate agents; what reservations they had for working with agents; under what circumstances they might choose to work with an agent; and how they plan to find or choose one.

Real estate agents were asked about how they found new vendors or purchasers, what reservations they had for working with buyers or sellers, and the kinds of activities they found worked best in attracting and maintaining clients or customers. They were also asked about how they lost clients or customers and under what circumstances they chose not to work with certain clients or customers. In this way we tried to capture the "history" of real estate agent-client/customer relationships and the "contingencies" affecting their direction at various points in time.

Most interviews lasted between one and two hours depending on the number of agents, clients or customers being discussed, the number of homes they bought or sold, the depth of information respondents were able to provide, and the time they could spare.[6] One interview with a real estate agent lasted in excess of three hours, and one couple invited me back for a follow up interview, making the total time I spent interviewing them close to four hours.

The precise "representativeness" of the sample is of secondary importance to the "willingness" of subjects to share their experiences with me. However, we could expect similar processes to operate in the emergence, continuity or discontinuity of relationships between people where each party is dependent on the other party for significant social, psychological, financial, or material losses or gains.

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[6]A few interviews were quite short, lasting a half hour or so, although this was unusual. Typically, shorter interviews were associated with first-time buyers.

VALIDITY

The question of "validity" is a major concern for any researcher. "Validity" refers to the truth of an assertion made about something in the empirical world, that the observer is observing what he or she intends to observe (Deutscher, 1973:106-108). In discussing validity, we are trying to assess whether interview subjects are viewing what they claim to be viewing. In order to increase the validity of our data, several strategies were utilized. First, more than one method of data collection was utilized. While most of the data were collected by interviews, I incorporated my own experiences (participant observation) into the study. In addition, having worked as an agent enabled me to better assess the claims made by the informants. Second, interviewing agents along with buyers and sellers made it possible to see if all parties to the relationship were basically seeing the same thing from their different positions. Third, in order to encourage informants to be sincere in sharing their experiences, confidentiality was assured. They were also told not to use any real names. While possibly viewing me as a competitor, agents were assured that my interests were purely scholarly. Since many of the agents either knew me personally or knew agents who vouched for me, I felt there was sufficient trust for them to be open with me. My intimacy with the real estate setting also enabled me to assess the validity of their experiences.

The data in this study are valid, then, to the extent that the informants: (1) accurately recalled the details of their

experiences; (2) with some degree of accuracy, accounted for the viewpoint of other participants; and (3) were willing to tell their stories to me. Where "discrepancies" or "contradictions" became apparent during the interviews, I attempted to "probe" (in a nonconfrontational manner) to encourage respondents to reconstruct particular aspects of incidents in more detail or to clarify any ambiguous perceptions (e.g. "Can you explain that or give some examples?").[7] Afterwards, when the material was being analyzed, data which appeared to be "contradictory" (unless it could be contextualized) was excluded from the study to insure maximum accuracy.[8]

Given that human interaction is problematic and negotiable, varying degrees of similarities and differences are expected across social settings. Assuming that one does not require a separate theory for each type of relationship (e.g. relationships between sales clerk and patron, doctor and patient, mechanic and client, cab driver and passenger, real estate agent and client or customer), the task of the qualitative researcher, then, is to identify and explain "generic processes" as well as the "unique forms" which arise contextually (Simmel, 1950; Goffman, 1963;

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[7]For further details regarding the interview process, see Bogdan and Taylor, 1975:111-117).

[8]It might also be noted that a large percentage of the data collected was excluded from this study because it was redundant, not sociologically relevant, or not specifically relevant to the task at hand.

Blumer, 1969).[9] The fact that this project builds upon the previous findings of other researchers provides some evidence of the robust nature or validity of the concepts which will be examined.

The generalizability of the study will also remain in doubt, but it can be qualified, to some extent, by examining the work of previous researchers in terms of the theoretical perspective more generally. For example, the reader can look at the similar ways in which trust is accomplished and relationships intensified by examining the work of researchers working in a variety of social settings all differing somewhat from each other. By extracting the common processes which emerge in different social contexts and separating them from the unique, concepts which denote generic social processes are born. Their work helped to introduce me to the concepts that became the building blocks for this project. This study also provides an opportunity to further assess the generic nature of these concepts.

ANALYZING THE DATA

The interview tapes were transcribed as soon after the interviews as was practical to assure maximum recovery of interview material.

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[9]As Prus (1985b:7) notes: "One can, it seems, learn something about any group by examining similar processes in any other setting. The content may be highly variable, for the groups may have different perspectives, identities, and activities; but generic concepts such as decision-making, socialization, recruitment, bargaining, and interpersonal influence, enable persons to tie together and benefit from which might otherwise seem highly diverse materials."

Each interview was assigned a code which made it possible to reconstruct it in its original historical context.[10] One copy was retained as a master copy and the other cut and sorted into folders with similar material from other interviews in accordance with the themes they addressed.

Given that the task of the researcher is to discover the concepts which best describe the processes taking place, a large number of categories were initially developed. I was then faced with the task of collapsing these categories in order to make these findings more parsimonious for presentational purposes. While categories are always arbitrary to some extent, it is hoped that those outlined in the study have an enduring, generic quality.

ASSESSING THE APPROACH

Perhaps the main advantage in conducting taped interviews is the richness of the data I was able to collect. By interviewing people who had bought or sold recently, their recollections seemed accurate, their details much more vivid, and their approach to the interview more enthusiastic. While their earlier experiences of buying and selling were also included in this study, it was obvious that people could only remember some details, while forgetting about others. Only the information which seemed accurate was retained.

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[10]This procedure allows us to recheck the data sheets exactly as it was transcribed from the tapes. Since the study focuses on real estate agent-client/customer relationships more generally, it also allows us to reconstruct each relationship career in its entirety.

Where I was not able to tape, notes were either taken verbatim, or as soon as possible after the interview. While there is always some inaccuracy, especially where the notes are made following the interview, I feel that I captured the essence of what people were telling me. Even where an interview is taped, there is always some inaccuracy. Especially when interviewing couples, which I did on several occasions, the informants would frequently speak at the same time, drowning each other out. Background noise, or making contact with the microphone, also sometimes distorted informants' words. There were times when some informants spoke so quickly that it was difficult to interpret what they were saying. Others seemed to whisper, at times, also making interpretation problematic. I've encountered these problems, several times, necessitating some filling in of what I believe they said.

Like any method of doing research, interviewing has other drawbacks. The fact that I, for the most part, was only able to interview one party to an interaction, limited me to one perspective on the same situation. Second, remembering all the details accurately, and accounting for other people's viewpoints, is always problematic, particularly as time goes on. Third, the interview situation, itself, is intrusive, and may result in informants trying to impress the researcher by presenting themselves in the most favorable way. I observed this, occasionally, with real estate agents, although most seemed sincere. I did, however, have the luxury of knowing or learning something about them, either before or after the interviews, which

enabled me to sort out their perceptions of self from images attributed to them by others.

While I was unable to interview both parties to an encounter, I was fortunate to interview some of the agents who were the topic of conversations with my interview subjects. This was not planned. Interestingly enough, I did find that my subjects were extremely accurate in their depiction of these agents. In this way I was able to gain a different perception of the same event, without referring specifically to it, from the agent involved.

CHAPTER SUMMARY

This chapter discusses the methodology employed in this study. In doing so I first discussed the way interactionist researchers conceptualize and use concepts as denoted in the thoughts of Herbert Blumer (1969). Second, I discussed the way interactionists working in the ethnographic tradition develop concepts utilizing the methodological procedures described by Glaser and Strauss (1967) for the discovery of "grounded theory." Following that was a discussion regarding "generic social processes" (concepts which denote action). Utilizing qualitative means of gathering data (principally intensive interviewing) is thought to be the best way of gaining insight into the processual nature of people's involvements. The advantages and disadvantages of "interviewing," the principal method of gathering data in this study, was discussed. Next, the data collection process was addressed. The theoretical relevance of the findings will be addressed in terms of

their "validity" and "generalizability." The data are "valid" to the extent that participants accurately recalled the details of their experiences as they relate to this study and their willingness to discuss their experiences with me. In reference to "generalizability," we can attest to the "generic nature" of our "forms" to the extent which similar processes are noted by other researchers in other social settings. Finally, the procedure by which the data collected were analyzed, which was fairly consistent with that proposed by Glaser and Strauss (1967), was discussed.

CHAPTER IV

THE AGENT AND THE RESIDENTIAL REAL ESTATE BUSINESS

The purpose of this chapter is to present an overview of the agents' world so that the reader will better understand the real estate business, the buying and selling process, and the relationship between agents and their clients and customers. In essence, I am about to take the reader "back stage" to give him or her some insight into how "the system" operates in practice. This chapter will be largely descriptive, outlining the ways in which the business is run, and surveying the kinds of problems agents encounter in their relationships with brokers, managers, and each other. As well, the various activities directed at finding prospects, getting listings, and providing services to vendors and purchasers will be explored with special reference to their troublesome aspects. This description is based largely on my personal experiences and observations. It is not meant to be comprehensive, but rather provides an overview of this life-world as I know it.

My review of the organization of the real estate industry and the residential real estate agents' day-to-day activities will address the: (1) agents and their backgrounds; (2) licencing requirements; (3) organization of the real estate industry; (4) contractual arrangements brokers offer to salespeople; (5) ways agents find new clients and customers; (6) obtaining of listings; (7) servicing and marketing of listings; (8) servicing of prospective buyers to the point of a sale; (9) maintaining of

contact after the sale; and (10) winning and losing of the real estate game.

MY BACKGROUND IN REAL ESTATE

I started my real estate career as a sales representative in the fall of 1986, working for a large, independent real estate firm in Kitchener-Waterloo. This firm had four local offices and about 120 agents. Subsequently, I worked for a medium sized company with two offices (each with about 30 agents), a large national firm with four offices locally (20 to 30 agents in each), and a small independent broker where I was, for the most part, the only agent.

I became interested in the real estate business following my experiences with buying a house. It struck me that this was an easy way to make money. Having spent most of my savings in the purchase, I anticipated that selling real estate would be a quick way of recovering what was spent. At the time I entered the real estate profession, all that was required was five weeks of class time in order to qualify for a licence. So I took the courses during the summer of 1986, found employment with a brokerage firm, and replaced most of the money I had spent buying the house during my first year in the business. It was a hot market (buyer's market) at the time, and I usually did not have to show many homes in order to make a sale. At times there were hardly any properties to show, they sold so quickly. So as long as an agent had a solid prospect, a sale was almost guaranteed. Even the most inept agents sold the occasional home. Still, there were a number of agents who

"couldn't sell anything," or perhaps made only one or two sales before leaving the business. Since I was working on my doctorate, I was only active for about three or four months during that first year. After that, I was largely inactive, working only when a buyer or seller contacted me.

People from all sorts of backgrounds and walks of life become real estate agents. There are no formal educational requirements other than completing the required real estate courses. Some people do, however, have some college or university courses. These people are usually the ones who are seeking to make real estate a career. There is the occasional person with a master's, doctorate, or other advanced degree, many of whom treat real estate as a part-time activity. Some agents are people who have retired from other occupations, or who have changed careers. Many are housewives and mothers, working mainly part-time. Some of the old-timers tend to hang onto their old ways of doing things and are often out-of-touch with much of the legal jargon, computer technology, and ways of recruiting and keeping new prospects. On the other hand, many of the old timers seem to retain an enduring client base. Much of their business comes to them through referrals, so they seldom bother to do the kinds of activities which newer agents do to recruit new prospects.

Some of the agents who come into the business seem to be "well connected" at the outset, and benefit accordingly. Some have family members (e.g. husband or father) who are contractors and are already in the real estate business. These people may provide them

with a regular supply of new listings. As well, the purchasers of new homes already have a home to sell. This results in a more continuous supply of resale properties for these agents. Under circumstances of these sorts, agents tend to build a client base rather quickly. Some other agents also seem to be well connected albeit in different ways. Some have held previous jobs, perhaps in large companies where they were highly visible or known to a lot of people, and many of them become their clients or customers.

Every office has an assortment of agents. There are the high producers who are nearly always upbeat. They work long hours and seem to be getting new listings or putting together deals almost daily. There are the average level producers, some of whom work very hard but do not seem to be quite so lucky. Sometimes, something else may be lacking. Perhaps they are weak at closing, so they do not always get paid for all the work they do. Others work their basic "eight hours a day," have a regular client base, and take home thirty to fifty thousand dollars annually. They appear to be content with that income. At the bottom are the low producers. Whether they started out in a positive frame of mind, worked hard and whatnot, or just saw real estate as a quick, easy way to make money, many have become negative about the business, other agents, or themselves, and usually end up leaving the business after a few years. You also find a more or less continuous influx of new people, many of whom possess few strong connections, but whose initial optimism, timidity, work habits and inexperience make it very difficult to predict their eventual

success. There is, however, a fairly high turnover and an ongoing mix of full-time and part-time involvements, as well as variations in situations wherein real estate income may be the sole income, the major income, or a supplementary (if not almost "hobby") income for different people.

Because they make their money from the houses that sell, brokers, for the most part, will hire almost anybody.
Most feel it is difficult to predict who will succeed in the business and that there is little to lose in taking on a new agent. Should they make a few sales, then the broker gets paid. It is also one less agent for a competing broker. As well, most brokers do not mind having a few low producers around to hold open houses for their high producers, who usually have more listings than they can properly service. When the supply of agents increases, the brokers often clean house, ridding themselves of agents who are less productive or unwilling to help out, and make space for better workers. As well, agents frequently "bounce around" from firm to firm. Some stay with one firm for many years, but others (like myself) move more frequently.

Brokers want to keep their high producers and often pass out-of-town referrals to them as well as favor them in disputes with other agents. For the most part, disputes between agents in an office usually arise over the sharing of commissions. Sometimes agents "look after" each other's customers in order to allow others to take time off. Usually, there is an unwritten understanding that commissions will be shared if a sale takes place. However,

some agents will be unwilling to do this. Because of the business they bring in, brokers and their office managers generally favor the more productive agents rather than risk losing them to another firm.

Sometimes agents form teams of two or more people who work together and split the commissions. Frequently, though, one member does more work than the other, so some resentment may build up here. Also, these teams can be dissolved at anytime. This makes it possible for an agent to go on his or her own, especially if a big listing comes up. This can be devastating to the agent who is dropped.

Trust is not something to be taken for granted in the real estate office. Agents who "work together" are also in competition with each other. When dealing with unsigned prospects, agents are usually careful not to reveal the names or addresses of prospective clients or customers for fear another agent may try to get to them first (getting scooped). Likewise, when an offer is forthcoming, agents may be reluctant to disclose the particulars (price, etc.) to others in case another agent may be working with an interested party and bring a competing offer. In fact, more seasoned agents seldom disclose particulars of an offer to anyone until the time it is presented.

Since agents do not get paid unless they make sales, they often ride an emotional roller coaster. When agents are "on a roll," they are upbeat. When they have trouble getting new listings or their listings expire, they typically get down. Buyers

with whom they have worked extensively sometimes change their minds, or, even worse, buy from other agents. I have seen agents in tears after losing a buyer to another agent. Sales slumps can be career threatening to the struggling agent, especially those who have a family to support. Also, busier agents can be more selective of the people with whom they work, thus avoiding wasted time or other set-backs with less motivated buyers or sellers. Should they define the situation as more problematic, they simply go on to the next client. Those with fewer prospects typically do not have these options, and often end up working with more "long-shot" (and often disappointing) cases.

Most offices are organized in cubicles to maximize space usage and foster a competitive atmosphere. Some companies offer private offices to their agents, but they are usually for agents who rent desk space from the broker, or for agents who are self-disciplined in their work habits.

Sales meetings, which are usually compulsory, are used to bring agents up-to-date on company activities, create a team atmosphere, and to motivate the agents to work harder. They provide opportunities for agents to introduce their new listings, discuss problems they are having with existing listings, and for managers to pay tribute to agents whose productivity has increased. While sales meetings may help to build a feeling of we-ness among some agents, and be motivational, they often have the opposite effect on other agents. Feelings of jealousy and resentment frequently emerge as less successful agents measure their poor

performances against those who are doing much better.

Some of the more established agents also have incomes from other sources. It is not uncommon for these agents to own other businesses such as restaurants or rental properties. Occasionally agents seize the opportunity to buy up properties from anxious vendors at a good price and resell them for a profit. In recent years, the laws pertaining to full disclosure have become more explicit. Now agents are supposed to disclose, in writing, that they are real estate agents, as well as everything they know that could affect the potential value of a property, prior to submitting an offer. Failure to do so could make them vulnerable to a law suit (e.g. should they turn around and sell it for a profit).

Every office has a manager. To a large extent, the atmosphere in the office is related to the manager's activities. Often the manager is the broker-owner. In companies with several offices, one typically finds a series of branch managers who are salaried and/or receive a share of the office's profits. New managers often experience an exodus of agents shortly after they arrive. Sometimes they clean house, ridding themselves of less productive or troublesome agents, replacing them with agents who are willing to go along with their ways of doing things. At other times, transitions and turmoils may have been related to departures of other agents.

There are few avenues for promotion within the real estate business. Basically, real estate is seen as a money game, and agents usually move to companies where they can make more money.

Once they feel confident of their projected earnings, successful agents are more apt to go to companies where they rent an office and retain nearly all of their commissions. Essentially, they operate as independent entrepreneurs with the broker having little input into how they operate. Others may obtain their broker's licence and eventually start their own companies. Each year a number of small brokerage firms emerge, and each year a number close (with these agents now going to work for someone else). Some agents may get the opportunity to be a manager, but accepting the position can be risky. In larger companies, managers are not to compete with their agents. This means that they give up their clients to other agents in the office. If the management position does not work out, and it often does not, they may have lost much of their client base. In many respects, this puts them in a position of "starting all over again."

BECOMING LICENCED

The first step in becoming a real estate agent in Ontario is the completion of three introductory real estate courses which provide an overview of the organization of the real estate industry, including all facets of the residential realtors' business activities. This is covered in the first two courses, the first by correspondence and the second involving 60 hours of class time. The third course provides the agent with more practical experience (writing offers, learning how to price properties, etc.) and involves 90 hours of class time. Agents must write an examination

upon the completion of each course and attain at least 75 percent in order to pass.

Upon completion of these courses, agents must find employment with a real estate broker who, on the agent's behalf, will submit an application for licencing under the Real Estate and Business Brokers Act, which is policed by the Ministry of Consumer and Commercial Relations. Agents are then responsible for taking and passing an additional three courses within two years from the date of registration with the ministry in order to maintain their licence. The three courses, each involving approximately 40 hours of class time, are Real Property Law, Principles of Appraisal, and Principles of Mortgage and Financing.

Getting a Broker's Licence

After two years as a salesperson employed by a broker (within the preceding three years) and the completion of the above additional courses, salespeople may apply for a broker's licence. This would make it possible to set up their own business. In addition to the courses on law, appraisals and financing, agents must complete an additional course, either Property Management, or Industrial, Commercial and Investment Real Estate. He or she must also take the Real Estate Office Management Course and the Professional Real Estate Brokerage Course, each approxiately 40 hours in duration. I took the additional courses in 1996 and now have my broker's licence. I'm currently registered as a sole proprietor or independent broker.

ORGANIZATION OF THE REAL ESTATE INDUSTRY

Once joining a brokerage firm (assuming the company is a member of a real estate board), the agent must pay annual membership fees to the local real estate board, to the Canadian Real Estate Association (C.R.E.A.) and to the Ontario Real Estate Association (O.R.E.A.). C.R.E.A. acts as a spokesperson for the real estate industry in Canada and represents the provinces in real estate matters at the federal level. It is responsible for setting the ethical standards (more explicitly expressed in the Standards of Business Practices) which govern the ways in which agents deal with each other and the public. Complaints against agents and discipline are handled by the local real estate board's ethics committee. O.R.E.A. is made up of 48 real estate boards and is responsible for education and bylaw changes.

Members pay monthly fees to their local real estate board which entitles them to a variety of services. Multiple Listing Services (MLS) books are provided to members, bi-monthly, with relatively current information regarding listed properties. Quarterly MLS Sold books provide information on completed sales during the previous quarter. Bulletins reporting up-to-date information regarding new listings, sales (including conditional sales, waiver of conditions, etc.), open houses (for agent viewing), changes to listings, as well as special announcements and other information, are distributed daily. The board's computer system provides up-to-date information on new listings, recent sales, expired or withdrawn listings, changes to listings,

statistics, and ways of searching out eligible homes for particular buyers (if entered by other agents).

CHOOSING A BROKERAGE FIRM

Agents encounter a wide range of brokerage firms, relative to size, structure and style of operation of brokerage firms. Smaller firms usually offer agents a lot of freedom in which to operate. However, they generally offer few benefits to the agent. Larger firms are more structured regarding what agents can and cannot do, but they offer a variety of services (and advantages) to the agent.

The smaller companies may range from one person operations, with the broker-owner working by him or herself, to several agents. Because agents with these firms are usually responsible for their own advertising and other expenses, smaller firms often offer agents a higher commission split (perhaps 70/30 or 75/25). Few other services are provided, but agents are also relatively free of any obligations such as taking a turn as the duty agent, and they are usually free to set commissions and service their listings as they so choose. The small broker is unlikely to have an out-of-town referral network. If the smaller firm provides advertising, the fee split is more apt to be 50/50. The firm is rarely located in a prime location, so agents seldom benefit from walk-in business. Likewise, small brokers usually maintain low profiles. The company's image does little to attract new business or enhance sales. Small firms are therefore most suitable for agents who are relatively well established in the business, who are self-motivated

and are prepared to work independently, or, who simply see real estate as a part-time business.

The larger, national firms (local, regional or province-wide, as well) may have one or several branches in each city. They typically offer ongoing training and motivational sessions, secretaries to take calls or type offers, and company materials to help promote the agent. They also supply the agent with forms, business cards, signs, and pay most of the agent's expenses such as advertising or long-distance calls. Agents usually start at a 50/50 commission-split. This normally increases in favor of the agent as the agent's sales increase and the agent reaches pre-set plateaus. These offices are usually more structured. Normally, one finds rules to help prevent agents from stealing each other's customers, rules governing the setting of listing commissions, and compulsory floor duty (agents must take turns at being duty agent or arrange for a replacement).

Large firms also offer other advantages to the real estate agent. The presence of large numbers of experienced agents provides the newer, less experienced agent with a support system, and agents with whom to consult when faced with dilemmas. More productive agents may also offer newcomers opportunities to do open houses in order to make new contacts. Productive agents also benefit by the accessability to newer agents who are usually willing to work their open houses. Large firms usually locate their offices in relatively high traffic areas to attract "walk-in business," and budget for institutional and product advertising to

make the telephone ring. The national firms also facilitate the development of a cross-country referral network.

Some large companies offer the agent a higher fixed commission, say 90/10 or 95/5, but the agent pays for his or her expenses (including most advertising) plus a desk fee (e.g. $1,000/month). These setups are most suitable for high producing agents who have an established client base and are confident of their continuing success.

There is some movement of agents from firm to firm, typically at the beginning of the new year when commission arrangements with most brokers return to their lowest plateaus (50/50). Agents often move because of more appealing commission splits. As their business grows or declines, agents consider their projected earnings against the commissions offered by competing firms, or the other possible advantages of making a change. Real estate firms, who offer commissions on a graduated basis, usually review and sometimes change their plateaus according to projected expenses. Other times, agents leave because interpersonal relationships with brokers, managers, or other agents within firms deteriorate, especially where disputes over commissions, advertising or other services have arisen, and the broker or manager has ruled in the other agent's favor.

THE DAILY GRIND

Once an agent has accepted employment with a broker, the process of finding new clients and customers begins. Among the ways in which

agents meet new prospects include doing floor duty, making cold calls (by telephone), cold canvassing (door knocking), farming (working a particular neighborhood), contacting vendors whose listings have expired, and pursuing people who are trying to sell privately. Other activities associated with marketing listings are also employed to attract new business include doing open houses, advertising in the media, and distributing flyers or free market evaluation certificates to neighborhoods.

Floor Duty

Larger firms usually require an agent to be on duty during office hours to handle telephone inquiries and walk-in business. Company policies, however, may vary in regards to phone calls and walk-in business. Some companies page the listing agent and have the listing agent return calls in regards to his or her listings. Other companies do so only when the caller specifically asks for the listing agent. In some firms, the call goes to the listing agent when the agent is present, otherwise the duty agent gets the call. This policy can make a substantial difference to the listing agent, for if this agent sells to this prospect, one agent receives both (buyer and seller) ends of the commission (i.e., "double-ending" it). Walk-ins usually go to the duty agent unless the listing agent is in the office and/or the prospect specifically asks for the listing agent.

Floor duty provides the new agent with the opportunity to make contact with prospects. However, because one agent on duty often

serves as a filter, it also makes it possible for agents to gain personal advantages. Agents usually answer the telephone when secretaries take breaks, and need not forward calls to listing agents, even when they are available. In one case, when I was in the office on other business, the duty agent asked me to answer the phone because she was tied up with another caller. Because I spent a couple of minutes talking to the caller, she became angry, insinuating that I was trying to steal her customer. She told me, in no uncertain terms, that all I was supposed to do was to take down the caller's name and phone number, so that she could return the call. The same agent told me of another experience she had where another agent tried to steal her business. A caller (former customer) had been looking for her and the duty agent at one of our other branches (who knew her) told the caller that she never heard of her. Another agent slipped free market evaluation certificates inside copies of the real estate news which duty agents make available to walk-in traffic. This gave the agent an unfair advantage over other agents as the visitor might call the agent named on the certificate thinking it was the duty agent.

Cold Calls

One way in which agents get new listings and sometimes meet prospective buyers is through making cold calls. Agents may select a page out of the telephone directory or a street out of the Vernon (street) Directory and call occupants to see if they might be considering moving in the not too distant future. Most brokers

encourage agents to make 25 calls or more per day, regardless of their other activities, although few agents ever do so. Many are uncomfortable making cold calls because of the frequently negative reception. However, some of the most successful agents routinely make them.

The main advantage in doing cold calls is that it enables agents to contact several potential prospects (mainly home owners) in a short time period. Given that the real estate business is envisioned as a "numbers game," the idea is that the more people with whom an agent can make contact, the greater the agent's chances of getting new listings. In addition, the more listings that an agent has, the greater his or her chances are of making a sale, given that not all listings sell. Working listings also facilitates the meeting of new prospective buyers. In other words, the greater the number of contacts, the greater the chances for success.

Cold Canvassing

Cold Canvassing or knocking on doors is another way in which agents make new contacts. Often door knocking is done in conjunction with a recent listing where free market evaluation certificates are hand delivered by the agent.

Door knocking is a slow process and most agents are reluctant to do it. Few contacts can be made in one day and it is an unknown as to whether or not people are interested in selling, which, if they are not, can be a waste of the agent's time. While some

people are quick to rid themselves of these uninvited intruders, others find it hard to reject someone face-to-face. Providing that agents can get over the initial stage fright, cold canvassing is an opportunity to meet people, face-to-face, and create an impression. What is problematic is maintaining contact with them, for several months, if not years, until they are ready to sell.

Farming

Farming is a process whereby real estate agents select specific geograpical areas, become acquainted with its residents, and try to impress them with their particular expertise on real estate for that area. This is a long-term investment whereby agents maintain regular and ongoing contact with the residents through frequent mailings, distribution of novelties, or occasional visits. A few companies have the salesperson's name appear on the sign of any listing in that area in order to help create the image that he or she is "the agent" selling real estate in that neighborhood. In such cases, the agent gets a share of the commission even though another agent acquired the listing. While any area may be farmed by agents from several different companies, few agents actually stick with farming a territory.

Farming is a slow process requiring regular contact with residents, and is therefore a considerable investment both in time and money for agents who elect to do it. Buying novelties, mailing letters, or constructing and distributing flyers can be seen as expensive, particularly to people, who may have no intention of

moving in the foreseeable future. Agents who elect to farm, therefore, usually choose areas where, historically, there is relatively frequent movement.

Chasing Expired's

Calling vendors whose listings have expired is another way in which agents get new listings. Each day listings which expire are listed on the daily bulletins. Some agents hurriedly call those vendors as soon as the bulletin is received. Others call a day or two later, while others may wait for a week or two, or even a month before calling. Many agents, of course, are reluctant to call expired listings. Since a number of agents from different companies may call the vendor in a relatively short period of time, the vendor may not be receptive to later callers, and this is discouraging for some agents.

The good thing about expired listings is the high probability that the vendor is still interested in selling. Assuming this, agents who call usually attempt to uncover the owner's explanation of why the property did not sell and suggest to the owner how they might better market the property. If the owner does not criticize the efforts of the previous agent, agents usually find some way of doing so and seize the opportunity to plant the seeds of discontent.

Contacting FSBO'S

Another source of new listings are FSBO'S (For Sale By Owner).

Private sellers often lack knowledge when it comes to marketing and finances, and frequently want more than a current market evaluation dictates. Buyers, who shop privately, usually want to capitalize on the knowledge that the owner does not have to pay real estate commissions, which may make reaching a deal difficult. Private vendors, therefore, often become discouraged rather quickly and often end up listing with a real estate agent.

Private vendors are also at a disadvantage since most buyers, especially inexperienced buyers, feel safer when looking at listed properties with an agent. In addition, most homes (approximately 80 to 90 percent) that are for sale, are listed with brokers, providing them with detailed descriptions, plenty of selection, and relatively easy access. Buyers also tend to distrust vendors trying to sell privately, sometimes suspecting them of trying to hide something, or of wanting too much for their properties.

The most obvious benefit to the agent in pursuing private vendors is knowing that they are interested in selling but are likely to fail at doing so. On the negative side, they are often difficult to deal with, not wanting to pay commissions or to budge much when it comes to price. Like vendors whose listings have expired, private sellers are usually the reciprients of a barrage of calls and often express their annoyance to later callers. Consequently, many agents are disinclined to consider private sellers as sources of new listings.

Where agents are successful in getting these listings, there is often mutual distrust. Agents are frequently uncomfortable with

the vendor's stubbornness when it comes to price. They may also suspect that the vendor will use them to advertise the property and try to deal, either behind their backs, or with someone introduced to them by the agent, after the listing has expired. These vendors often see agents as being overpaid and undeserving of their commissions. At the very least, they generally expect the agent to provide quick results, and to work exceedingly hard on their behalf.

OBTAINING LISTINGS

Perhaps the key to the residential agent's success is getting listings. The great advantage to having listings is that these agents get paid, at least part of the commission, even if another agent sells the property. Second, those working the listing usually meet new prospective buyers and sellers. Generating a continuous flow of listings is generally the key to a profitable career in residential real estate.

Once contact has been made with someone whom the agent believes to be a good prospect, the agent usually hurries to their home prepared for a listing presentation. Some agents will have already completed a Comparative Market Analysis (CMA) prior to their visit, providing sufficient information regarding the property is available to them. This nearly always impresses the owner as the agent demonstrates his or her preparedness. Other agents prefer to preview the property first and return a day or two later with their opinion of a listing price. Making two trips

provides the agent with a second chance at building a relationship, and a further opportunity to persuade reluctant vendors to list with them.

Upon arrival, the agent usually tours the home, making notes regarding its positive features as well as some of the things which might be in need of repair, or redecoration. The more positive features are usually highlighted in subsequent advertisements (or feature sheets). Recommendations are usually made to the owner regarding repairs and improving areas which do not show well. Normally, at some point early in the relationship, the agent will discuss (and possibly produce written materials outlining) the benefits of listing with his or her company, as well as provide evidence of his or her own record of listings and sales. The agent may also produce personal references and possibly make commitments regarding the marketing of the property (open houses, advertising, etc.).

Assuming that the vendor is impressed with the agent and his or her company, a major obstacle which is sometimes problematic relates to money. Agents may give their opinion of a marketable listing price, but the vendor may not agree to it. Second, the amount of commission proposed by the agent (listing commission) may become an obstacle to listing. Both the asking price and the listing commission are likely to be the subjects of negotiations. While most agents prefer to list "MLS" or through Multiple Listing Services (see section with heading "Listing MLS or Exclusive" for detailed explanation), some agents offer reduced commissions as

incentives for vendors to list exclusively with them.

Establishing Listing Price

One of the keys to getting a listing is for the agent to establish a list price deemed acceptable to the vendor. Homes which are listed as close as possible to fair market value are more apt to sell. For the real estate agent, the Comparative Market Analysis (CMA) determines the Fair Market Value (FMV), which is the price at which the agent feels the property should be listed. By comparing the specific property to similar properties which have sold recently, and adjusting the comparable properties for extra or absent features (fireplace, garage, number of bathrooms, etc.), location and time of sale, the FMV can be attained. Given that real estate agents usually think they know whether a property is overpriced, listing at or below the FMV is likely to attract more showings and increase the chances for an offer.

Vendors, on the other hand, typically want to get as much as possible for their properties. Often, they think their homes are worth more than what the agent thinks. Vendors are more likely to determine their asking price by taking into account the costs of any improvements, real estate commissions, or profits they feel are required in order to buy another home. Agents who are attentive to vendor concerns with the asking price are more apt to get the listing. While some agents will take any listing, even those they think are vastly overpriced, others view them as a waste of time.

Negotiating Commissions

Reaching an agreement with the vendor on the amount of commission to be paid when the property sells can be an obstacle to getting the listing. Current rates in the Kitchener-Waterloo area are 5 or 6 percent of the selling price. This is usually divided in half with the listing broker getting either 2.5 percent or 3 percent. This figure is then split with the agent (50/50 or other percentage specified in the salesperson's contract). The overall commission is negotiable and some companies may allow their agents to charge less (say 4 or 4.5 percent).

The "listing broker" is the company with whom the vendor signs the listing agreement. The "selling broker" is the company who represents the buyer. If the same company represents both the buyer and the seller, then the same broker retains the full commission. If it is a salesperson from a different company who represents the purchaser, then that company will get the selling broker share. Real estate agents are paid commissions from their respective brokers according to the agreement (splits) they have with them.

Some agents will try to get vendors to agree to larger commissions. In situations where a vendor expresses an urgency to sell, the agent may suggest listing at 7 percent or higher, in order to attract more showings from commission-conscious agents who may persuade their buyers to submit offers. As an alternative, they could just as easily offer 3.5 or 4 percent to the selling broker and take 2.5 or 2 percent for themselves.

In 1987, the Kitchener-Waterloo Real Estate Board stopped publishing the full listing commission due to the enforcement of laws (Competitions Act) related to price fixing. Only the selling broker's share of the commission is currently revealed in the MLS book. Prior to that, the total commission was split 50/50, and occasionally a larger percentage was offered to the selling broker. Given this arrangement, agents were quick to reward the selling broker with a smaller share of the commission. For example, an agent would take a listing at 6 percent and offer 2.5 percent to the selling broker. This frequently upset the selling salesperson when it was discovered at the time of the offer presentation. In fact, I recall an agent who persuaded an elderly woman to list at 10 percent while offering only 3 percent to the selling broker, and another who listed at 4.9 percent while offering a mere $100 to the selling broker. It appears the vendor may have been deceived in the first case, and the motivation, from all indications, was greed. In the second case, the agent knew she had a "hot" listing and she had no intention of sharing the commission with anyone else. Both are examples of agents who placed their own interests above those of their vendors. For the majority of agents who try to conduct themselves in a more ethical manner, these types of actions are troublesome to their interpersonal relationships with these agents. In some cases, agents try to avoid doing business with unprincipled ones.

On the other hand, some vendors can be as unscrupulous as some agents. Not all vendors aim at honoring their contracts when

the time comes to pay the agreed upon commission. Some vendors will squeeze agents into reducing their commissions in order to make a deal come together, particularly if the vendor is being encouraged to accept significantly less than his or her asking price.

Vendors have also been known to arrange for a family member to register a mortgage against the property, prior to closing, in order to eliminate the amount of money which would usually go to paying the real estate commission. Mortgages registered prior to closing take priority over closing costs, part of which is the real estate commission.

Some vendors will use agents to introduce prospects to their property, and later, once the listing has expired, attempt to sell it to them, privately. Most listing contracts, therefore, contain a "holdover provision" to help protect real estate agents from devious vendors. The holdover provision, which may differ from real estate jurisdiction to jurisdiction, specifies a certain time period (for example, 90 days) after a listing has expired, that vendors agree to pay the commission should they sell their home, privately, to someone introduced to the property by a real estate agent during the listing period. Should they do so, then the agent could sue the vendor.

Listing MLS or Exclusive

There are two types of listings, MLS and Exclusive. MLS, or Multiple Listing Services, means that the listing broker, who is

the agent, solicits the help of all other real estate brokers to act as sub-agents in helping to sell the property. Any salesperson working in the specified real estate jurisdiction (registered with the local real estate board) is authorized to bring an offer to purchase on any property listed MLS. MLS listings are processed by the local real estate board, activated in their computer system, and shown in the MLS books (catalogue of homes for sale) which are published bi-monthly and distributed to board members. The listing contract must be for a minimum of 60 days and cannot be withdrawn without the permission of the real estate board of directors.

"Exclusive listings" are outside the board's jurisdiction and only the listing broker is authorized by the vendor to sell the property. In a boom period, some agents try to list exclusively in order to keep the entire commission. It is usually under special circumstances, however, such as an estate sale where there may be valuable personal property on the unattended premises, that exclusive listings may be advantageous to the vendor. Other special circumstances include situations where a shift-worker may be sleeping at unusual times, or there are pets on the premises which could escape. A vendor may also choose to list exclusively in order to reduce the listing commission. Many agents offer a 1 percent reduction from their normal listing commission when listing exclusively, since their company will get the full listing commission and they stand a better chance of selling double-ending it.

Since exclusive listings fall outside the real estate board's

jurisdiction, the property can be listed for any specified period of time. Occasionally agents will show a home which the vendor is interested in selling but is not ready or willing to list. In such cases, agents usually request a 24 hour exclusive listing in order to protect the vendor and purchaser from doing business, privately, after the prospect has been introduced to the premises.

Aside from some of the circumstances listed above, exclusive listings do not work to the vendor's advantage. The chances of a sale are decreased, since only the agents working for the listing broker are authorized to sell the property. Secondly, vendors increase their chances of getting a better price by listing MLS, since all the agents who are members of the real estate board are authorized to sell the home. It is not unusual for vendors to entertain more than one offer over the course of a listing. With more agents showing the property, more offers may be forthcoming. It is also easier for agents to sell properties through the MLS network because several agents may have a potential buyer, who, if it were listed exclusively, would likely not have the opportunity to view it. Some agents will cooperate with agents from other firms on their exclusive listings, but the other agents must first find out about these properties, which is not always easy.

The idea of reducing the commission by 1 percent in order to motivate vendors to list exclusively generally reflects a self-serving orientation of the agents involved. Agents doing so are usually less concerned about getting the best possible price for their vendors and more concerned about using the property to make

new contacts. During hot markets, when there is a shortage of listings, there is a tendency for some agents to encourage vendors to list exclusively. There is no apparent advantage to the average vendor to list exclusively. By listing MLS, there is a better chance of a multiple offer situation, which often results in vendors getting more than their asking price. However, the listing agent may get less, since it might be another agent's offer which is accepted.

SERVICING LISTINGS

Once a listing is acquired, agents are expected to service it. Servicing the listing involves mainly making it available for viewing to both the public and other agents. Agents often view other agent's listings through "agent open houses" (company tour or agent tour). Prospective buyers are attracted to the property through the installation of for sale signs, open houses, media advertisements, and the distribution of neighborhood flyers. Should an offer be forthcoming, then it is the duty of the listing agent to advise the vendors during negotiations and to carefully scrutinize the offer to make sure the vendor's legal interests are protected and that the purchaser is bound by the terms of the agreement.

Company Tour

After a listing has been secured, generally, the next task is to get other real estate agents to preview the property to see if they

may be currently working with a purchaser for whom the property is suitable. Usually the agents who work for the listing broker will be the first to see it as they tour their company's new listings on a weekly basis. Particularly with larger companies, the company tour usually impresses the vendor as several agents arrive to inspect the home at the same time. It also provides listing agents with the opportunity to get feedback regarding price and appearance from their peers which they can relate back to the vendor.

Occasionally, when agents get "hot" listings, they may be slow at turning them in, or at making them available for viewing to their office mates. Frequently, they try to sell these properties to a purchaser with whom they are working. This is more apt to happen with exclusive listings, as MLS listings must be signed by the manager and turned into the real estate board within a specified time period. Such actions may be frowned upon by management and other real estate agents, but they do happen.

Agent Tour

Regardless of whether agents are with a large or small firm, they may place the home on "agent" or "MLS tour" so that agents working for other companies will have an opportunity to preview it. The Kitchener-Waterloo area is divided up into different districts each having a specified weekly time period in which homes may be open for agents to view. In this way agents can preview several homes in a short period of time. Since there are often far more homes on agent tour than an agent can possibly hope to see, listing agents

sometimes offer special incentives (free lunch, coffee and donuts, draws for gifts) to attract agents to their open houses. Given that it is another agent who most often will bring an offer on a property, placing it on agent tour, providing it shows well and is "reasonably" priced, may be the quickest way an agent can move a property. It is especially likely to attract agents with prospects who are looking in that area and price-range.

"For Sale" Signs

The "For Sale" sign is an excellent source of advertisement for both the company and the real estate salesperson, especially in higher traffic areas. It is the most inexpensive form of advertising and it is on duty 24 hours a day.

In addition, neighbors can be a good source of referrals. When they see a home come onto the market, they may inform their friends or relatives who are interested in moving into the neighborhood. This sometimes promotes a phone call to the listing agent.

While not all vendors want their neighbors to know they are planning to move, agents usually prefer to have a sign on the lawn as a means of keeping their name before the public. Doing so helps to alert neighbors of the agent's apparent success and hopefully bring the agent new business. Even where a home sells without a sign, agents will often bargain to place a "Sold" sign on the lawn prior to closing, in order to impress passers-by.

Open Houses

Holding open houses is a way of displaying the home to the public. While the chances that a buyer will drop by and make an offer on the spot are rare, it does expose it to the market and give it an edge on other properties which are not being marketed in that way. In fact, some buyers prefer to look for a home that way, and several of my interview subjects have reported finding the home they eventually bought through an open house. Some agents also find open houses to be a good way of meeting unqualified buyers. For others, open houses are seen as a waste of time, and this is often evident in their lackluster performances when holding open houses.

While some agents are reluctant to hold open houses, others sometimes hold them as a way of impressing their vendors. Agents also experience pressure to do open houses given that their competitors are doing them. Often, agents feel that vendors expect them to work for their money. If they do not hold open houses, and the house does not sell during the original listing period, agents may fear that the vendor will list with someone else.

Media Advertisements

Advertisements are utilized mainly to keep the agent's name before the public and to attract phone calls from unqualified prospects. The type and frequency of media advertisements are usually done according to the company's or individual salesperson's budget, depending on who is responsible for payment. Agents often

emphasize the importance of advertising in order to get listings. While particular properties may be featured, advertisements are viewed by many agents as more important for finding new prospects. Agents rarely sell the specific house to a purchaser who calls in regards to it. More likely, given the problem of matching specific properties to specific people, agents are more likely, overall, to sell inquirers a different home than the one about which they called.

Distribution of Flyers

Taking a listing also gives the agent the chance, or excuse, to work the neighborhood. Agents frequently distribute a "Just Listed" flyer which often also provides for a "free" Comparative Market Analysis. These certificates are distributed to neighboring streets and sometimes followed up with telephone calls to see if neighbors might also be interested in selling. Some agents send out open house invitations as well. If and when the house sells, some agents will send or deliver a "Just Sold" flyer to people in the neighborhood, often accompanied by a free Comparative Market Analysis Certificate. In essence, each listing provides the agent with numerous justifications to make contact with neighbors in attempts to get new listings.

Representing The Vendor During Offer Presentations

When (selling) agents have an offer (of purchase) to present, they contact the listing agent to set a time for the offer presentation.

Usually offers are presented to the vendor at the vendor's address with both the listing and selling agents present. The listing agent, at this point, normally acts as an advisor and explains the contents of the offer. He or she also may gather information about the purchasers and their circumstances, and advises the vendors regarding a counter-offer, should a counter-offer be necessary or recommended, and the possible consequences of changing the offer. The listing agent may also prepare his or her vendors so that they will not show too much excitement or volunteering information to the purchaser's agent, which could make them vulnerable and work to their disadvantage in a counter-offer situation.

Where the agent represents the buyer as well as the seller, he or she wears two hats. Beginning in January, 1995, agents must disclose, in writing, who they are representing. This makes it clear to the purchaser that the agent is working for, and getting paid by, the vendor. The agent in these circumstances must be careful not to advise purchasers to make low offers or manipulate situations based on his or her knowledge of what the vendor will take, or in regards to the vendor's possible desperate circumstances (cannot make mortgage payment, getting divorced, etc.). Sometimes agents have advised purchasers to make low offers when they could have gotten better deals for their vendors. Such actions could result in the agent being sued should the vendor later find out and decide to pursue action along these lines.

At times, the listing agent is the most influential person when it comes to offer presentations, since he or she may be in a

position to put down the other agent and establish control. As more of a vendor-trusted insider, the listing agent can frequently make or break a deal. The vendors often look to the listing agent for advice regarding accepting or rejecting the offer, or writing it back. Thus, the listing agent and the vendor often work as a team, with the purchaser's agent asking them to consider the offer.

Sometimes, however, the listing and purchasing agents work with each other to get an offer accepted. Frequently, they feel one another out as to price (trying to establish either the purchaser's or vendor's limits). Vendors are not privy to all of their interchanges and, thus, notions of "teams" may shift from time to time as the various parties interact with each other in order to strike a deal.

The listing agent has the responsibility of preventing a vendor from accepting an offer that could leave him or her legally unprotected. Sometimes purchasing agents will present loosely written offers which make it possible for either the purchaser or the vendor to back out before closing. Occasionally the purchaser changes his or her mind, perhaps finding a better deal elsewhere, or the vendor receives a better offer and wants out. Poorly written contracts make it possible. Even when all parties act seriously and "responsibly," deals sometimes fall through. Getting financing is not always attainable, housing inspections sometimes uncover problems, or clear title may be problematic.

WORKING WITH BUYERS

There are three main activities agents engage in when working with prospective buyers: (1) qualifying them as to their needs, wants and finances; (2) selecting homes to show them; and (3) constructing and presenting offers.

Qualifying Prospects

Once agents meet prospective buyers, the first step is usually to qualify them as to their needs, wants and affordability. During this process, agents commonly gather information regarding the prospect's family background (age and sex of kids, finances, reasons for moving, hobbies and interests, etc.). Where buyers encounter problems getting financing, agents often know which financial institution or private money lender will most likely have the flexibility to approve the buyer. Often, too, when agents direct prospects to money lenders, the agent receives a "finder's fee."

While agents are uneven in their efforts, qualifying prospects is important. Failing to do so may result in greater frustration for prospects and possibly a change of mind regarding buying. In addition, showing homes which do not meet the prospect's interests or finances may be a waste of everyone's time, including the vendor's, who may be inconvenienced in needlessly preparing their homes for the showing.

However, not all agents carefully qualify prospects, nor do they always look within the prospect's affordable price range.

Sometimes agents simply ask buyers how much they are willing to spend and start showing them homes. Sometimes, too, prospects are secretive and refuse to disclose their financial situation to the agent. Some agents may gamble and show them what they want to see. Others may simply try to push buyers up to a higher price range, especially if the agent thinks they can afford it, even though buyers may prefer to pay less.

Selecting Homes For Showings

After qualification, the agent next decides on "suitable properties" to show prospects. This is usually done through searching through the MLS book, the company's exclusive listings, and checking the computer for new listings. Some agents may elect to show their own listings, first.

Agents also need not select properties listed by agents they dislike or distrust. They may also overlook properties which offer low commissions (e.g. some discount brokers list at 1 to 4 percent total commission). Many agents avoid showing their listings. Given that agents will only make so many sales each year, they usually want to make as much as possible from each transaction. Some try to direct prospects exclusively to their own listings, or to those listings where they can make greater commissions. Agents may also show overpriced listings or properties which do not show well prior to showing a targeted property in order to encourage offers on those specific properties.

Making An Offer

It is unclear (from my data) just how influential agents are when it comes to getting purchasers to submit offers. In particular, I cannot tell how much buyers are "set up," but many may require little encouragement when they see something they like. In most cases, though, they look to the agent to guide them as to price, size of deposit, closing date, and the extras (appliances, etc.) to be included in the deal.

Once the offer is drawn up, the purchasers often "sit on pins and needles." Seldom permitted to be present at the offer presentation, their choice of a living environment is typically placed in the hands of their agent. Still, the wait generally is not long, time-wise, as agents usually present offers within a few hours.

When the offer is accepted, it may be occasion to celebrate. Should the offer be rejected, particularly if it seemed reasonable, then the disappointment sets in. Purchasers often get angry with vendors who show little flexibility during negotiations and begin to doubt their agent's competence. Sometimes they even change their minds about buying, particularly if they had their hearts set on the one home, or it took a long time to find a home which appealed to them. It may become more difficult for the agent to motivate them to start looking all over again.

WINNING AND LOSING THE GAME

Making lots of money is the primary goal of any real estate agent.

The route to achieving financial success is achieved in several ways. First, the agent needs to find a suitable workplace which facilitates his or her development into a top producer. Second, most agents would agree that the secret to an agent's success hinges upon becoming a "big lister." Third, maintaining the loyalty of prospective buyers is important, for it is buyers who form the agent's client base. Fourth, becoming a strong negotiator helps agents on the road to fortune, for it is during negotiations the deals are made or lost. Fifth, developing, maintaining, and expanding one's client base is perhaps the most important way of attaining success in the real estate business, since business tends to come to the agent rather than the agent having to find it.

Agents often perceive themselves as being exploited by brokers, especially when they compare their costs to brokers against the commissions which they give to their brokers. Like people in other occupations, agents strive to be happy in their workplace. Therefore, most agents consider it important to find a firm which adequately compensates them for their achievements, and provides them with an environment where they can develop their skills and increase their client base. Brokers who are successful in creating a team atmosphere in their office, who set policies to minimize agents cheating one another, who provide competent advice and support for their agents during slow periods, and see to it that their agents are appropriately compensated (or receive fair value for what they pay to the company), are more likely to retain their agents.

While high producing residential agents normally have lots of listings, most of their activities are directed towards getting new listings. Likewise, although not all agents intensively work their listings, those that do usually meet prospective buyers (either through open houses or through calls with regards to advertisements). When prospective buyers also sometimes have a home to sell, they become another source of new listings. So, there are major advantages to having listings, and having lots of them is usually the key to an agent's success. When they have listings, even those agents who are reluctant to work with prospective buyers, or who provide few services to their vendors, are assured of part of the commission if another agent sells their listing. On the other hand, agents who have few listings usually struggle to find buyers. If their listings do not sell, they may not be able to survive in the real estate business.

Maintaining the loyalty of prospective buyers is essential if an agent plans on becoming a top producer. While most agents favor vendors over buyers, working with both is necessary to becoming top producers. Agents working with buyers may spend a lot of time showing homes and it may be all for nothing if it does not culminate in a purchase. Still, it is the buyers who may later have a home to sell, and they represent another means of expanding the agent's client base.

Becoming adept at completing offers is also important to winning at the real estate game. Some agents seem to do almost everything well except getting offers accepted. Their inability to

take a leadership role at the negotiation table often leads to rejected offers, and possibly the loss of clients or customers who may lose confidence in their ability to bring about successful outcomes. Consequently, they do a lot of work but do not get paid. On the other hand, there are agents who have few clients or customers, but their practices at the negotiation table usually result in completed deals for most prospects whom they represent.

Lastly, winning at the real estate game is contingent upon building and continuously expanding one's client base, in order to achieve repeat patronage and profit from referrals. The successful agent, therefore, develops a system of maintaining contact with his or her satisfied customers. For many longer-term agents, newsletters are mailed out quarterly, cards are sent or phone calls made to clients on special occasions, or agents simply call or drop by once in awhile to add that personal touch to the relationship, and to maintain their client's loyalty. Expanding the client base is one of the surest ways of getting new business. Agents who fail to do so, and there are many, have to work much harder to keep finding new business. Generally speaking, they tend to be losers at the real estate game.

CHAPTER SUMMARY

The purpose of this chapter has been to provide a background for the day-to-day activities of the residential real estate agent. In this regard we looked at the kinds of people who become real estate agents, the educational and licencing requirements, and the

organization of the industry in Ontario. Since salespeople must be employed by a real estate broker in order to be licenced, the variations in setups and the kinds of considerations which go into choosing a brokerage firm at which to work were addressed.

Once agents find employment, then the business of finding new clients and customers begins. The kinds of activities which facilitate the meeting of prospective buyers and sellers were discussed. Following that we looked at how agents obtain listings, including some of the obstacles they must deal with in order to get vendors to sign listing contracts.

Some insight was also provided into the more important activities associated with servicing listings. The agent's duty, at this point, is to attract both potential buyers and other agents who may be working with potential buyers to view the property. This is done through holding open houses for both agents and the public, providing media and MLS advertisements, distributing flyers throughout the neighborhood, and installing a for sale sign. When a prospective buyer makes an offer, the listing agent's job is to protect the vendor's interests.

The advantages and disadvantages of working with prospective buyers was also discussed. Buyers represent special challenges for agents, for they are prone to changing their minds and changing agents from time to time. The importance of properly qualifying prospects, the kinds of biases agents may have when selecting homes for showings, and the presentation of offers were addressed.

A final section looked at what it takes to win at the real

estate game. Based on my observations and experiences, salespeople look for brokers where they can best develop their skills and expand their client base. They want a broker who is not out to exploit them but who will provide them with an environment and support system which is good value for their (commission) money. The most obvious key to success seems to be that of getting listings. Having lots of listings makes it possible for agents to make new contacts through all the activities associated with marketing the listing, and to expand their client base. However, maintaining contact with satisfied customers is generally the most important way to obtain listings. This also makes it possible for agents to get referrals from previous customers. The more congenial and helpful contacts an agent makes, the more chances he or she has at gaining another client or customer, and the more clients and customers he or she has, the greater his or her chances at making sales.

CHAPTER V

GETTING STARTED

Although agents and prospects make contact with each other under varying conditions and ranges of expectations, agents generally assume greater levels of initiative in making themselves available for these encounters and pursuing those contacts who seem like better prospects (as buyers or sellers). This chapter deals with initial involvement in agent-client/customer relationships. First, attention is given to the kinds of strategies agents utilize to create the kinds of impressions agents would like prospects to have of them. While media advertisements may also be used to foster a particular image, agents are primarily concerned with physical appearances and the kinds of impressions they make during the initial face-to-face contact with prospects. The second section looks at the ways in which agents attempt to "develop prospect interest" in working with them. Section three examines the perspectives of buyers and sellers who attempt to sell privately. By studying those who choose to "go alone," it helps us to understand the reservations they may have for utilizing the services of an agent as well as their interests. The fourth section discusses the ways in which prospective buyers and sellers come into contact with real estate agents.

PRESENTATION OF SELF

> [Agent] If you can learn to prospect, then you'll be successful in real estate. And once you've built up a reputation, a lot of it is the way you appear to other people, anyway. You just have to appear successful. You

> have to create a facade, whether you are or not, that you are a successful real estate agent and you are the type that they would want to use to sell your house. So you have to build up the referral business and keep your name before the public, and you'll be successful. People automatically assume that if they see your name, all the time, that you're the best. [I-22A]

To a large extent, what the above agent is saying is true. Agents generally try to create an image of success, whether or not they truly are successful. Given that the vast majority of agents are not high producers, they have to find ways of presenting themselves as if they were. As he indicates, people often construct their own pictures based on appearance and other information. The way agents dress and the cars they drive provide initial impressions. Frequent media advertisements may give prospects the impression that agents do a lot of business or are popular with a lot of vendors. Most often, however, the initial recognition occurs in face-to-face contact, and "appearances" (Goffman, 1959) may be critical to the presentation of self.

This section builds on: Goffman's (1959) notion of personal "front"; Prus' (1989a) research into retail vendors generating trust; Prus' (1991) discovery regarding the ways in which shoppers get the impression that salespeople are more trustworthy; and Lauer and Lauer's (1994) findings regarding initial attraction in romantic relationships.

This research has shown that agents try to present themselves in certain ways which would give prospects the impression that they are trustworthy. They do so by (1) portraying a successful image, (2) expressing sincerity, and (3) personalizing encounters.

Portraying A Successful Image

Recognizing that unplanned contacts with prospective buyers and sellers are often short in duration, agents are often concerned with the kinds of impressions they make. This section, therefore, looks at the ways agents may make themselves presentable. The idea that people try to present themselves in ways which are acceptable to others stems from the work of Goffman (1959). Seeing the world as analogous to a stage, he focused on the idea that formal interaction takes place front stage. He then divided the front into the "physical setting," where much of the action takes place, and the "personal front." The physical setting may include the home where the agent is conducting an open house or the agent's office. "Personal front" includes the actor's "appearance" and "manner." The style of dress and the kind of vehicle which agents drive are referred to as "sign signals" by Goffman (1959), and represent extentions to the actor's appearance. "Manner" reflects the kind of image the agent is trying to create during interaction, such as being an honest or friendly person.

Given that first impressions usually mean a lot, physical appearance is the first, major consideration for most agents. "Appearing successful" seems to be important to attracting new customers. On the other hand, flaunting one's wealth can introduce an element of resentment or jealousy. While appearing successful is generally a prerequisite to involvement, "fitting in" with buyers and sellers may be just as important.

Prus (1991) discovered that "noticing appearances" are

important to generating trust among shoppers in the retail marketplace. Shoppers generally expect salespeople to be dressed appropriately, and tend to be skeptical of those who are not.

It also seems to be an accepted norm within the real estate community that agents should dress more business-like (wear suits, shirts and ties, etc.), and some brokers are fairly strict about enforcing a dress code among their agents. The importance of "dressing professionally" is indicated by the following informant:

> [Agent] First of all, you have to dress properly for it. You have to look good. You have to be very conservative. A good suit doesn't hurt a man or woman. [I-22A]

A second agent echoes many of the same considerations regarding the importance of presenting oneself as a professional. This seems to be an important consideration when it comes to first impressions:

> [Agent] I have a tendency not to like to dress up, probably more casual like you (researcher) do. As a matter of fact when I started in real estate, I hated wearing suits. I had to wear them for a long period of time with the government, and I hated that three-piece suit idea. However, though, first impressions are real hard to take a second wack at. If you're dressed very casually and don't have a planned presentation when you're dealing with people, they form their impressions of you very quickly. So as a result of that, I dress professionally and let people know that I have a professional demeanor about me. [I-32A]

While he doesn't specify it, at the time of the interview, he, as well as other agents were targeting first-time buyers, or prospects interested in lower-priced homes. This was the price range where there was the most movement. First-time buyers tend to be interested in lower-priced homes, and many of those looking in the lower-price range are blue collar workers. It seems that by

dressing more casually he is better able to "fit in." He is more likely to gain their trust this way, and their willingness to work with him:

> [Agent] I tend to be more casual when I'm working with a buyer. I won't wear suits when I'm working with a buyer most of the time and that, I guess, is more related to you're running all over the property. And physically it's pretty hard on suits. [I-32A]

Similarly with "automobiles," most agents recognize that the car they drive, which is often meant to be a symbol of their success, contributes to the image people may have of them. Agents who drive "wrecks" are more apt to be viewed as unsuccessful. Most, it seems, feel they can better "fit in" with more people by driving a good quality, "middle-of-the-road vehicle":

> [Agent] You should have an attractive looking automobile, or at least it has to be clean. It doesn't have to be really, really snazzy, but it should be a nice looking car. That's what they see when they see you pull up. That's the first thing they see is your car, and then you. [I-22A]

> [Agent] In terms of automobiles, I think that's important as well. You don't drive a rust bucket around town. Although I like fancy cars, and I always have, I really think that in this sort of an area, it's not a good idea to be driving a real expensive car whether you can afford it or not. So I drive a kind of middle of the road sort of car. It's a good quality car. [I-32A]

On the other hand, those who drive very "expensive cars," do so usually to attract the richer members of the community. Once again, they recognize the importance of "fitting in," or presenting themselves as being "similar" (Lauer and Lauer, 1994) to the other party. Lauer and Lauer (1994) discovered that people were more apt to pursue romantic relationships with those who were "similar" to them. Consequently, agents may employ a variety of symbols,

including their choice of vehicles and style of dress, to "fit in" with the type of buyer or seller they are targeting:

> [Agent] Price range has a very important play in matching up with clients. My wife has a Rolls Royce and my son and I have Explorers. They're loaded. They're $35,000 units, those trucks. They got leather, compact discs, and all the toys. If we know they're interested in a $200,000 plus home, generally my wife will be the candidate. A less expensive house, if my wife was showing it, she would take the prospects in her Mercedes. [I-33A]

While some agents who are successful tend to "flaunt their wealth," the same agent, reflecting on a remark made by a prospect, indicates that he does have concerns for prospects possibly being jealous of his success. With that in mind, he changed from a Cadillac to an Explorer. Vans tend to be more popular among real estate agents. They provide good window viewing, carry more passengers, and seem to be acceptable to the average prospect, rich or poor:

> [Agent] Ninety (1990) was the last Cadillac. I got one every year. One of the reasons why I dropped Cadillacs was I had somebody say to me one time, "I guess you're doing quite well, you're driving a Cadillac." It was a $48,000, at retail, car, the Fleetwood, with all the toys. And I thought to myself afterwards, and they were quite sincere when they said it, and it wasn't a mean conversation, so I thought I would replace that expense with a truck. One of my best friends who's a renovator in (city), Ontario had this Explorer, and it was just an awesome vehicle. The seats widen and narrow by pushing buttons, and there's so many toys, nine speakers and a radio. I thought, this is for me. They never mention anything. They say, "Oh you gotta nice truck." [I-33A]

As the above agents indicate, the ways in which they dress and the kinds of vehicles they drive are "sign signals" intended to reflect a successful image. At the same time, agents seem to be conscious of the importance of "fitting in" with their prospects,

in order to be accepted by them. While agents may be hoping to project a certain image, their success in doing so depends on how the audience interprets those symbols.

The following informant, himself a white collar professional, echoes the importance which he attaches to these symbols of success:

> [Vendor] He certainly dressed the part to the extent that, he had a shirt and a tie and a suit on. And I believe he was driving a small Mercedes. All I know is that it was a yuppy-type car. {Researcher: Was that impressive?} Impressive to the extent that he's telling me, yeah, I have been successful. And what I was looking for at that time, I mean, when you want to sell your house, I guess you don't care if the guys got three eyes in his head, as long as he's a good salesman. [I-76]

The importance of "fitting in" is reflected in the perspectives of the following informant. He made contact with an agent who was "similar" to him in many ways. They dressed in a similar fashion, both drove vans, and they even drank the same brand of coffee. These "sign signals" along with the agent obviously being seen as more personable, contributed to the informant feeling that he could trust the agent. He also expresses a distaste for those agent who display their wealth by dressing and driving vehicles which are above those (buyers and sellers) who are making it possible for them to acquire those things:

> [Prospective Buyer] Some guys are just too slick. They got all this gold. They got a big fancy car. He's got a Plymouth minivan. He dresses like I do. He talks like I do. And I can speak very honestly with him. And I'm confident that what he's telling me, I can believe. I never saw him wearing a suit. He wore a windbreaker. He drank Horton's coffee. [I-70]

The "media" can also be used to promote an image of success

among the generalized as well as the particular other. In fact, many agents make a conscious effort to keep their name before the public through the media on a continuous, if not, frequent basis. Brokerage firms, in order to establish credibility, also like to see their names publicized. Having listings enables agents to do more advertising, and the more they have, the more successful most agents believe they will appear to be among the general public. Given that there are a number of part-time agents in the business, full-time agents frequently like to make a distinction between the two, and to give prospects the idea that full-time agents are, somehow, more competent than their part-time counterparts (whether or not it is true):

> [Agent] And they'll be watching for your ads and that in the paper, so you really should have money to advertise, to keep your name before the public. If they don't see your name in the paper, they just figure you quit the business. So it's very, very important to create that image of being a full-time agent. [I-22A]

The successful image may be especially important to vendors in slow markets when selling a home, at the vendor's ideal price (range), is generally more difficult and often takes a lot longer. Agents who can promote themselves as being "a cut above the rest" are more likely to get more listings. Having found his agent through responding to an advertisement in the local real estate news, the following informant was attracted to the agent's productivity claims. The agent's advertisements informed the public that he was number one in sales for the national company with whom he was employed, number one in sales for the local area, plus he had sold approximately 15 million dollars worth of real

estate:

> [Prospective Vendor] He was one of the top sellers in Canada. In other words, I'm going with somebody that's successful. And if my math is relatively correct, he's making about three hundred thousand dollars a year selling real estate. Now it could be a little more, because once you get up over a certain quantity, they start to give you a greater percent..... But the main point here is it doesn't matter whether it is three hundred ($300,000) or seven hundred ($700,000), we're talking a 24 or 25 year old guy, he's doing a cut above the average. [I-76]

Expressing Sincerity

"Expressing sincerity" stems from the work of Prus (1989a) who uses the term to reflect salespeople's efforts to be seen as honest, perhaps by portraying themselves as more open or fair. Agents who are able to convince prospects that they are "honest" are likely to be trusted. Prus (1991) also indicates that retail patrons are more willing to deal with salespeople who come across as being "sincere."

The following agent insists that he presents himself as being "honest" to visitors at his open houses, by acknowledging that there are defects when they are rather obvious. He, naturally, along with most listing agents, is reluctant to point out defects that may not be visible. Being viewed as sincere may help him to recruit a new prospective buyer:

> [Agent] Being honest is number one to me. With everybody I meet, I'm as honest as I can be about the product I'm trying to sell. So that if I am aware of a weakness to a house, if I am aware that there is a bit of a water problem in a basement, I don't try and cover it up with a sheet of drywall or something. I will point out that there is a bit of a moisture problem here, here's what I know about it, I want you to be aware of it. And I tell

> the vendor, "I won't hide that from people." But I really do try and I've had many people say, "Thank you very much for pointing that out to me." [I-61A]

Personalizing Encounters

Another way in which agents may attempt to establish trust is by "personalizing encounters." Prus (1989) uses this term to describe the efforts of salespeople to develop an appreciation for the shopper's interests in order to better "fit in." In the real estate setting, "personalizing encounters" may also involve agents sharing with prospects aspects of their private life which they appear to have in common."[1] In this particular case, the prospect was married with a young son. The agent, also married, was about to become a father. So the agent and the prospect were "similar" (Lauer and Lauer, 1994) in that sense:

> [Prospective Buyer] He's got a young wife and they're expecting their first child within the next week. Just relating some of his personal life to me made me feel a lot more comfortable, too. [I-70]

The above findings indicate that agents are concerned with managing impressions. Through their style of dress and the vehicles they drive, they are able to symbolically relate to others that they are successful. Even agents who are not high producers, and the majority are not, can employ these symbols of success in order to foster that impression, at least, initially. These sign signals are also employed by agents to better "fit in" with their

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[1]More can be gleaned on this topic by examining agent perspectives on neutralizing reservation under "personalizing encounters" in chapter six.

targeted prospects.

Agents also use the media to create impressions. Through media advertisements, agents boast about their successes, keep their name before the public, and give the public the impression that they do a lot of business, whether or not it is true.

During face-to-face interaction, agents seem to be concerned with getting prospects to like them by presenting themselves as honest, and by making self-disclosures. The strategies discovered here, however, are just the first steps in getting prospects to trust them. The next step is to generate further interest, either in the product they are hoping to sell, or in themself, so that a relationship can unfold.

DEVELOPING INTEREST

> [Agent as Purchaser] Long before I was in real estate bought two houses because we went to an open house. We used to be the Sunday tire kickers that went around because we didn't have anything to do and look at houses. And not even thinking of selling and all of a sudden get in a house, boy this is a nice house, and you start talking about it. Next thing you know you're putting in an offer, up goes your house and you're going after it. [I-61A]

How do agents develop a prospect's interest in buying or selling, or get them to agree to work with them? This section will attempt to answer these questions and explain the agent's role in doing so. Given the enormous financial considerations and emotional upheaval associated with buying or selling, people often procrastinate when it comes to making a commitment to move. While prospective buyers often begin looking at homes on their own, there may be a great

deal of indecision as to whether or not the time is right to make the move. It is usually when they commit to working with an agent that their interest in buying escalates. Similarly with vendors, they might contemplate selling their home for some time before they actually take steps to do so. Once again, it is usually when an agent comes into the picture that their interest intensifies. Most commonly, they will find another home they would like to buy, or an agent will spark their interest.

Building on Prus' (1989a) retail marketplace research, it was discovered that agents may develop interest by (1) making it easy, and (2) providing greater purchasing autonomy.

Making It Easy

The concept "making it easy" stems from Prus' (1989a) marketing research as one way in which salespeople minimize buyer obligations in order to generate trust in a product and create buyer interest in making a purchase. Recognizing that prospects may have reservations about buying, given the financial and emotional disruptions associated with moving, agents often try to find ways of neutralizing their reservations and making a move possible. Having a good understanding of the kinds of concerns which are important to money lenders, and properly qualifying prospects, may determine whether or not the agent can develop their interest.

In the case which follows, the prospects dropped by an open house with no intention of buying at that time. Finding the home attractive and learning from the agent that they could not only buy

the home at a reasonable price, but could likely get a reasonable price for their current home, they became more interested. When they learned, to their surprise, that the bank was more than willing to transfer their mortgage, without penalty, to the new property, they proceeded to buy the home:

> [Purchaser] Well, we weren't actually thinking of moving at this point in time. We were generally looking in a particular area. We knew we were looking at the (name) area and we had a particular street in mind that we wanted to move to, eventually. We just kind of went to an open house that was on (street name), which was a street that we were particularly interested in. We know several people on that street and certainly like the location. It's a close walking distance to where I work.
>
> So we went to the open house to just kind of see what was available and were very impressed with what we saw in the place. And the agent there basically said, "Why don't we take a look at your place and see what we could list it for, and go from there?" We really didn't know how far this would go, because we were locked into a five year mortgage and we were into the second year of that mortgage. And we didn't think that there would be much chance of starting a new mortgage.
>
> But the agent came over that evening, took a look at our place, then went and did some work in terms of coming up with an appraisal for our house. And we called the bank and the bank seemed more than receptive in terms of taking our existing mortgage and transfering it to the new property. It makes sense to move at this stage.
>
> When we originally moved into our first house, it was ideal for us at that time, because it was a starter home. And with my wife and I working at the same place, we commuted back and forth, together. There wasn't any problem. But now she's working in another city. She's going into her second year there and that means she takes the car. That means I end up with public transit which is a long distance from our house. That's more of a hastle. So we were thinking about it, that in several years time, we'll make the final move. But this opportunity came up. And the market was certainly right in terms of the price at the new place. [I-4]

For the agent, this was an easy sale. The vendor's current home was in extremely good condition and it was located in a popular neighborhood, attractive to first and second time buyers.

Second, the prospects were both professional people with higher than average incomes. Third, the banks are nearly always willing to transfer mortgages, particularly when the buyers are increasing them and can easily qualify to make the payments.

While some prospects go directly to the bank to be qualified, and some agents prefer to send them there, other agents take a more active role in the qualification process. Thinking about buying a home, the following purchaser consulted a real estate agent who was a member of her church. He looked at her income and her downpayment and showed her that she, in fact, could afford to buy a home. That set the search for a home in motion:

> [Purchaser] After I had the thought in mind, I knew a real estate agent who went to our church, and he'd helped various friends of mine, so I talked to him. I had an appointment with him, and I said, "Now look, I've looked at some of the basics and I don't know whether I can swing this or not." So he sat down and he helped work through, you know, "This is what you think you can afford monthly. So this is the kind of mortgage you could carry, given the downpayment that you've come up with." So he kind of showed that it was possible in a certain price range. So we kind of went from there. [I-60]

Many agents are reluctant to get involved with the more creative aspects of the real estate business, such as financing, that may extend beyond their area of expertise. Some fear that they will be sued if they give false information. Knowing where and how to access money for prospects under a variety of circumstances may make the difference between an agent making a sale, or letting a serious prospect slip through his or her fingers into the hands of an agent who is more knowledgeable concerning these matters. In fact, I encountered informants who were advised

by agents that they were not in a position to buy, and another agent was able to resolve their problem and, at the same time, earn a commission.

While uncommon, there are agents who will provide limited financing. One agent offers to loan certain prospects part of the downpayment, interest free, for a specified time, in order to "make it easier" for them to get bank financing. Doing so not only helps him to make a sale, but encourages his elated customers to refer their friends to him:

> [Agent] And you see, the other thing that the (family name) do that other people don't, is, you might say, we're in the mortgage business. If you're buying a house off me and you're a little short, like three or four or five thousand, you might just get that interest-free, for six months, if you smile at me right, and I know that you and your wife have got a good job. And I have never been stuck once.
>
> My banker can't believe that. He says, "How do you do that?" We put a registered second after it closes. It's because they like me. It's because I'm not charging them 23 percent like the mortgage hounds were. And I say to them when I'm doing it, would you happen to know of any other young couple who would like to borrow some money from me? And the phone starts to ring. [I-33A]

The same agent also gets vendors to list with him by "guaranteeing the sale" of their home. While some vendors are attracted to the guaranteed sale, in a healthy market, it can be profitable for the agent. The agent usually guarantees the sale at a price below market value (usually between ten and twenty percent), which takes into account the costs associated with buying and selling and holding onto the house until it eventually sells. This can make it an awfully sweet deal for the agent who can recognize large profits from the resale in a healthy market. It is

not without its risks, however, for if the market slows, like it did in the recent recession when prices dropped, the agent could be in for a big loss. That's what happened to this agent. Nevertheless, guaranteeing the sale caught the interest of several buyers and earned him and his partners not only more commissions, but considerable profits from the resales:

> [Agent] We used to buy a lot of houses, too. In 1989, when things were just sort of at the peek, I can't remember how many we guaranteed. We were really hard to beat, then. Like if you want to sell your house, I'll buy the house and sell you another house. Like if your house isn't sold within sixty days, I own it. One year I think I bought thirty-three houses. I got stuck with one, but isn't it funny how my family, my partners, never told me about the profit I made on thirty-two. They talked about the twenty-six thousand I lost on one, very smartly. I said, "It's not twenty-six thousand lost, it's divided by three. And look at the bright side. Since we all pay so much tax, it reduces your taxable income. But my son never let me forget it. He won't let me buy anymore houses, unless he's there. We don't have to because now our reputation is such that if we want to do business with you, we're easy. If you need a hand, we'll give you a hand. But we don't want people dictating to us. [I-33A]

Few agents, however, will guarantee sales. Instead, they may convince vendors that they can easily get them a good price for their home. This strategy worked with the following informant who became interested in selling when a real estate agent dropped by and tantalized him with the idea of "turning a quick profit" (ten thousand dollars):

> [Vendor] He sold my house once before and he was working with (company name). He sold my house in Niagara Falls. It would be six or seven years ago, because we weren't even going to sell. We didn't like the house because it was a semi, and he happened to see us. Oh, I don't know, I was working in the driveway or something at the time, and he was going by. And he asked if I wanted to sell the house. I said, "Not really." And he said, "Well I

> can get you X number of dollars for it." I said, "Are you sure?" He said, "Oh yeah, I'll get it for you." I said, "That's ten thousand more than what I paid for it." He said, "Oh, I'll get it for you." He said, "Can I put a sign up?" So we said, "Yeah, you may as well. If you can get that much, we're not going to drop the price."
>
> He put the sign up that night and in the morning it was sold. Ten thousand dollars. It sounds good, "Oh I got ten thousand dollars profit on the house." But by the time you pay his fee, and I had to pay him a fee to find another house, I ended up with two or three thousand dollars. [I-29]

This vendor ended up buying and selling several times through this agent. It seems that the agent's ability to so easily make him a profit impressed him and earned his trust.

Providing Greater Purchasing Autonomy

One way in which agents frequently lose potential relationships is by trying to push their listings onto prospects who are not interested in them. "Providing greater purchasing autonomy" (Prus, 1989a) reflects the efforts of salespeople to get shoppers to trust them by providing a greater selection. Similarly, real estate agents who sense that visitors to their open houses are not interested in the property they are trying to sell, and who are willing and able to suggest some alternatives to them, are more apt to gain their trust and create interest in looking at homes further with them. This seems to be what happened with the following purchasers:

> [Purchasers] He didn't tell us that what we were looking for was impossible to find, in that price range. And we met a few that said, "Oh, you're never gonna find what you're looking for in that price range." And he didn't try and push the house that he was at. We looked at it and we said, "No, it's too small." He said, "Okay, that's fine. Maybe I have something else." Whereas the

> other ones said, "This isn't good enough, and you're not gonna find anything." So they really turned you off by their negativity. [I-52]

While hosting an open house, the listing agent (a former bank manager) casually suggested to a visiting couple that they could borrow, tax free, against their Registered Retirement Savings Plan for the downpayment. This came as a surprise to them and opened up new avenues of interest for the young couple. It turned buying the type of home they wanted into a reality. They were so impressed with the agent's advice that they called him the next day and asked him to find them a home:

> [Agent] As I was showing them through the house, I asked them if they invested in RRSP's. Learning that they did, I asked, "Did you know that you can borrow money from your RRSP's in order to buy a house, tax free, providing that you pay it back within a certain period of time?" They said they didn't know that, and seemed impressed. I asked them if they were hooked up with an agent and they indicated that they weren't. So I thought, I might as well go for it, and it worked. I showed them a list of everything that was listed for sale and that had recently sold in (name) Creek. I also showed them my portfolio for first-time buyers. They called me back within 24 hours and asked me if I'd show them one of those "big houses." [I-83A]

This subsection has discussed the ways in which real estate agents may develop people's interests in buying or selling a home. It should be recognized that other people, especially friends and family members, may also play a part in developing interest. Declining interest rates or the availability of downpayments (perhaps through the generosity of parents or grandparents) are more common circumstantial changes which may spur a move. People may also experience a sense of pressure or even a loss of other options (closure) such as a job transfer, disenchantment with their

present home situation or neighborhood, divorce, increase or decrease in family size, loss of health, etc., any of which may trigger an interest in moving. Consequently, people may reach the decision to move on their own. The next dilemma sometimes involves deciding whether to go private or to utilize the services of a real estate agent.

GOING ALONE

Only a small percentage of people venture to buy or sell privately, and of those who dare, few succeed. Given that real estate agents normally charge between five and six percent commission, the savings, if successful, can be significant. We might therefore ask, when do people elect to buy or sell privately, and when are they likely to go with a real estate agent?

This study has shown that attempting to "sell privately" may be related to the vendor's: (1) reluctance to pay real estate commissions; (2) disenchantment with real estate agents; (3) having had previous experience at selling privately; and (4) not feeling pressured to sell.

Those who "buy privately" usually want to capitalize on the fact that the vendor does not have to pay real estate commissions. While they sometimes look at private sales when real estate agents can't seem to find them a suitable or affordable listed property, private buyers, for the most part, tend to be (5) "bargain hunters."

Saving On Commission

The biggest motivator to selling privately seems to be reducing the costs by saving the amount which would normally go to paying the real estate commissions. In one sense, it is possible for vendors to lower their asking price to better compete with listed properties. What typically happens, though, as the following informant indicates, is the vendor intends to pocket the difference. Buyers, on the other hand, are usually looking for a bargain, which may provide a partial explanation for the inability of many private vendors to succeed at selling their home:

> [Private Vendor] We wanted to sell privately because then we wouldn't have to fork out the six percent, and that would be money in our pocket. That's the way we felt about it, so we thought we would try it on our own. I mean we had a few bites and stuff like that. People came through all the time, but I guess we just didn't have the go get me thing, you know, to keep in contact with the people that were interested in it. [I-75]

In some cases, vendors may have little choice (closure) but to sell privately. The following vendor, facing an impending divorce and not able to carry the property alone, is trying to sell privately in order to minimize his losses. At the time of the interview, property values had declined and he was facing a large penalty to get out of his mortgage. In addition, he and his wife had spent thousands of dollars replacing all the windows and making other renovations:

> [Private Vendor] We signed a five year mortgage. And to break the mortgage now, with somebody taking the mortgage over at a reduced rate, we would have to pay a penalty of $10,000, if we close the deal before May one. After May one, it's a $4,000 penalty. So that was very easy to choose private or with a real estate. We couldn't afford the $10,000 penalty or the $4,000 penalty, and pay

> anywhere from 2.5 to 5 or 6 percent real estate commission. As it is, we just may walk away breaking even. We'd lose our downpayment, but we won't owe anything, if we sell, privately. So our downpayment is lost. [I-16]

Some home owners turn to "private-sales" real estate marketing companies to assist them in selling their homes, privately. They offer various packages which usually include offers of purchase and sale, lawn signs, market evaluations, advertisements, and tips for doing open houses. The rest is primarily up to the vendor:

> [Private Vendor] We decided to go with (name of private marketing company). They offer several packages. The one we took cost $1,795 and that includes an appraisal fee. By going with them, it raised the value of the house. The buyer saves $6,000 to $8,000 in commissions, and if amortized, that turns out to be $14,000 or $15,000.
>
> We bought this house through real estate. He showed us three homes on a Saturday. We got back to him on a Monday and consumed about two hours of his time, and paid $9,000 in commissions. [I-9]

Private vendors I've interviewed, who utilize the services of these companies, seem to be pleased and see it as a bargain. Most agents, however, are willing to provide a comparative market analysis, free of charge, or, at least provide some guideline as to what is a marketable price. Second, it is up to the buyer to submit an offer and vendors usually run it by a lawyer prior to signing it, especially when negotiating without an agent. Third, vendors can learn about advertisements by reading the newspaper, about open houses by attending them, and "For Sale By Owner" signs can be acquired, quite inexpensively, in most hardware stores. In many ways, these "private-sales" companies are just a different form of "discount brokerage."

Disenchantment With Real Estate Agents

When vendors become disenchanted with real estate agents, they may decide to try selling on their own. In other cases, the opposite may be true.

The following vendors first enlisted the services of a private marketing company. When their venture to sell privately failed, they listed with a real estate agent who happened to drop by. They, however, were disappointed with his apparent lack of effort. When the listing expired, they resumed trying to sell it privately:

> [Private Vendors] {Son:} We had it with (company) for 3 months, and we never even had the agent bring a soul here, not even an agent, himself. The agent just came to the door. We had a previous sign up, our sign, from these people, home marketing. But they've gone out of business. We paid $395 to set this up with this outfit. But they supplied the advertisement and they supplied the signs, and the open house signs, but you showed the people around. Well, that sign was up when this real estate guy came, and he talked mother into it. We've always had that feeling, like, you've tried, and you didn't succeed. Give it to somebody else and see how good they are. We paid for the actual advertising in the paper, but they wrote it up for us. {Mother:} It was beautiful. {Son:} Oh yeah, it was very well put together. The whole thing that they give you, you don't really need that, honestly. But they went out of business. So the deal was, $300 when they set us up, and $300 when the house sold. {Mother:} Six or seven hundred dollars. {Son:} But I still have the signs and everything. But they're out of business. They went belly-up. {Mother:} Well, the real estate went sour, as you know, and the guy couldn't afford to hang around. [I-45P]

The next vendors experienced similar disappointment with real estate agents who had listed their home. They got the impression that the first agents were doing nothing (beyond listing it) to service the listing, while the second agent made the mistake of planning an open house and forgetting about it. After the listing

expired, for the second time, they thought they would sell it privately. They had numerous experiences with other agents which suggested to them that they had reason to distrust agents. On the other hand, it was obvious to me that they really did not want to pay the real estate commission:

> [Private Vendors] {Wife:} We had listed it with real estate but we don't have much luck. And we have lots of experience in this case. Better we save the buyer some money. Because when you selling through the real estate, you have to put on the top the real estate costs. And you ending up with less, and the buyer to pay more. [I-14]

What the above private vendors refused to accept was that the agents indicated to them that the listing price was too high. In both cases, the agents were apparently unsuccessful at getting their respective vendors to lower their asking price and may have withdrawn their services. The first vendors did, however, succeed at selling privately.

Experiencing Past Success

Just as Lesier's (1977) gamblers are more likely to return to gambling if they've experienced past success, home owners are more likely to try and sell privately if they, too, have been successful at selling privately in the past. Building on her earlier experiences, the following vendor assisted her father in selling privately. At the time of the interview, she was also attempting to sell a second home privately. In addition, she was disenchanted with the efforts of three different real estate agents who had previously listed her home, prior to putting it up for sale

privately:

> [Private Vendor] It was my experience that I had sold our first house privately, so, I said to dad, "You should try privately, first." So I think it was on my advice. He had never sold privately before. I don't think he had. So I think it was on my advice that he tried. When I had had a good experience. I had sold our first house in a week by putting it in the newspaper, just a small ad. I don't think we even had a for sale sign on the lawn. [I-5]

A second vendor also experienced success in selling privately, plus he was in no apparent hurry to sell it:

> [Private Vendor] I sold another house before using only the sign. Mind you it was on (name) Street, which is a better location. It took eight months to sell. It's just a matter of waiting for the right buyer, and I'm in no hurry. [I-7]

Not Pressured To Sell

Besides having experienced success at selling privately in the past, which usually reduces people's reservations for trying to do so again, vendors are more likely to try and sell privately when they are not in a pressure situation. The following vendors have experienced past success. Unlike many private vendors who may be experiencing an urgency to sell, these vendors are merely attempting to sell one of a number of rental properties, and they are in no hurry to do so:

> [Private Vendor] Well, we're not in any hurry to sell it. If we get our price, fine. We're not in any hurry to sell it, so why give that commission to the real estate. [I-6]

Bargain Hunters

"Private buyers" tend to be "bargain hunters." Aware that the

private vendor is saving on the real estate commission, they, too, usually want to take advantage of the savings. In some instances, they may start with a real estate agent, but when the agent is unable to find a suitable property which they can afford, they may resort to looking privately. In other instances, as with the following buyers, they looked at both listed and unlisted properties, and when they came across what they believed was a bargain, privately, they snapped it up:

> [Private Buyers] We were basically just looking around. You know, we would look at properties that were offered through the real estate. We looked in the paper, Penny Saver, and looked around. We didn't go into it saying, "Okay, we're gonna buy privately," but we kept an open mind about it. You know, we looked at houses that were up for sale privately and whatnot. And it just so happened that this one fell within our price range, had the potential to become a lot more than what it was. We bought when we were really young. {Researcher:} How did you find that place? {Buyer:} Through the newspaper. Actually I think it was the Penny Saver. {Researcher:} What attracted you to the ad? {Buyer:} Handyman special, and the price. [I-73]

A second private buyer had a number of skills and access to a number of tradesmen which made it feasible for him to purchase severely damaged homes for bargain prices. In this case he purchased a home which was fire damaged. The private vendor was a friend of his. Vandals set fire to her home and her insurance company compensated her to what amounted to market value. Rather than restore it, she sold it to him for its appraised value (lower than market value) and he was able to save on his own labor plus trade skills with a number of trades people, making it a real bargain for him:

> [Private Buyer] I knew the lady who owned this place.

> She bought a condo and moved into it. She let her insurance expire for two weeks (although they paid) and vandals got in and set a fire in the garage. The whole place was gutted. It was appraised at $65,000 and I bought it. I've rebuilt the house. It cost me $30,000 and it's now appraised at $170,000.
>
> I'm bidding on another house that was gutted by fire. My father is a contractor so I have access to heavy equipment. I can do a lot of the work myself and know plumbers and electricians for the specialty work. Some of them owe me a favor. In some cases, I've done bricklaying for them on their houses, so they will repay the favor. Other times, I just pay them cash. I can also save on the GST by getting things through my father's company. My goal is to buy a burned out house, cheap, fix it up and flip it. Most people don't want to touch these homes. It looks like too much work. And people who work all day don't have time to do repairs at night. The insurnace companies are anxious to pay out the claim so you can pick it up really cheap. [I-53P]

While some people are willing to buy or sell privately, others prefer to do so with the assistance of a real estate agent. Even private buyers or sellers may turn to a real estate agent, should they be unsuccessful privately, or should they discover that they've previously lost on the outcome. The next section examines the ways in which buyers and sellers come into contact with real estate agents.

MAKING CONTACT

One of the most difficult parts of the real estate business for most real estate agents is making contact and developing relationships with serious, viable prospects. In fact, much of the day-to-day activities of the real estate agent are directed towards that end. And given the competitive atmosphere of the real estate industry, the agent's reliance upon commissions as their primary source of income, and the relatively large size of the commissions,

agents try to make the most of their encounters with potential clients or customers. Getting their foot in the door is only the first step in the development of a relationship. How the agent handles the kinds of reservations prospects express regarding their willingness to work with the agent, which will be discussed in the chapter which follows, is the next step.

This section examines the ways in which real estate agents come into contact with potential purchasers and vendors. There are three principal routes to involvement, (1) recruitment, (2) seekership, and (3) closure. "Recruitment" describes the efforts of agents to attract new prospects, either to initiate contact with them, or to consent to working with them. "Seekership" describes the processes by which prospects take the initiative to make contact with a particular agent to represent them in the buying or selling of a home. While seekership implies volition on the part of buyers and sellers, and recruitment is basically consensual, "closure" describes relationships where the buyer or seller experiences a sense of obligation to work with a particular agent. Agents, occasionally, are pressured into working with particular buyers or sellers, even though they would rather not. Where people are pressured into working together, there may be negative implications for the relationship as well as the final outcome.

Recruitment

"Recruitment" refers to the attempts of others to get the target involved in a particular activity and/or lifestyle (Prus and Irini,

1980:247). These promotions may vary in intensity, explicitness, persistence, and basis of appeal. Consequently, we can talk about "inadvertent involvements" where people find themselves involved with someone more or less by accident, "solicited involvements" which tend to be more explicit, and "sponsored involvements" which reflect the involvement of third parties in recommending people to each other.

In chapter four I discussed some of the ways in which agents attempt to recruit new clients or customers. While some of these activities involve solicitation, such as various media advertisements, signs, flyers and so forth, enquiries are generally product or service directed as opposed to agent-oriented. In other words, prospects may call the agent named in the advertisement, but their interest is not as much in the agent as it is in the particular home being advertised. Some advertisements are more explicitly agent oriented, requesting readers to call a particular agent if they are interested in selling their home. For example, some agents present themselves, through advertisements, as specialists in working with seniors or first-time buyers, and ask those targeted individuals to call if they are interested in the agent's services. In such cases, involvement is solicited. Other forms of direct solicitation include making cold calls, cold canvassing, calling vendors whose listings have expired, and contacting vendors attempting to sell privately.

In many cases, however, the prospect calls the agent in regards to a particular property. It is the home being advertised

which attracts the prospect, not the agent. The agent will likely offer to show the property to the prospect in order to make face-to-face contact with the prospect, making it possible to further develop interest in the property. Failing that, the agent has the opportunity to develop a relationship with the prospect, and likely will offer to show the prospect other properties which may be more suitable or appealing. There may be a kind of feeling out process during this initial face-to-face meeting, with the agent trying to decipher if he or she has a serious prospect, and the prospect likely assessing whether he or she would be willing to accept the agent's help with his or her particular problem. Involvement, typically, tends to be "inadvertent," at least on the part of the prospect, who initially intended only to see the specific property.

Inadvertent Involvements

A prospective buyer might see an advertisement in the newspaper describing a property which the agent is trying to sell. He or she calls the agent and the agent ends up showing the prospect houses other than the one the prospect originally called about. A sale eventually ensues. Reflecting Prus and Irini's (1980:247) notion of "inadvertent involvements," the prospects were interested in a particular property but finding it unsuitable, they ended up being recruited into working with the agent.

In the example which follows, a prospect called a small independent broker and asked to see the home he was advertising. Finding it unsuitable, the agent showed her another house listed by

another broker and sold it to her. The important point is that the prospective buyer felt sufficiently comfortable with the agent to continue working with him:

> [First-Time Buyer] An ad in the Kitchener Record on a Friday night listed the house and said it was a private real estate company. I phoned him up and I said, "I want to see that home!" And he said, "Well there's one up the street, too." There was one just further down for ten thousand less. And we looked through that one and I wasn't sure. I think we only looked at three homes. This one was listed with another company. We walked in here and I had my mother-in-law with me. I said, "We're gonna put an offer on that house. I want it." [I-15].

Open houses provide a tremendous opportunity for agents to develop a brief contact into a relationship. In fact, the main reason productive agents do open houses is to pick up new customers. For others, open houses are conducted to please the vendor, so they often do little more than show up. Now agents are aware that those attending open house may prefer to look on their own, already have an agent, are simply nosey neighbors, or may be turned off by aggressive agents. In this respect there is kind of a "feeling out" process whereby agents try to decipher if the visitors are serious buyers who might be receptive of their help.

Some agents even have a "guest book" which visitors sign in order for the agent to get a second chance at recruiting them. Typically, the agent follows up with a phone call with the excuse being to get their opinion of the property, and then attempts to interest them in other properties. To routine visitors (Sunday tire kickers) this may become a sort of cat and mouse game between agents and themselves, and they may use fictitious names, addresses and phone numbers to let agents know they are not interested.

Other times, they may like each other or find their interests compatible, and the relationship begins right then and there.

After dropping into a couple of open houses and sensing that the host agents were seemingly uninterested in them, the following prospects were receptive to the agent's willingness to find them a home. It seems that the other agents did not consider them to be serious prospects. From my initial impressions, I could understand how they might get the impression that he was a man without resources. He was scruffy in appearance, the blue jeans type, and spoke in a down-to-earth but unsophisticated manner. Had they attempted to qualify the couple, they would have discovered that he owned his own business and his wife worked in a well-paying profession. It appears that agents may make snap decisions as to the seriousness of the customer based on primarily first impressions.[2] The one agent, who took the time to qualify them, ended up with a sale and possibly a client for life:

> [First-Time Buyer] We started house hunting about March of last year. We went to a couple of open houses. We met a couple (of agents) through some of the other open houses that we did, but some of them didn't seem to be overanxious to deal outside of the open house that they were involved with at that time. When we saw (name) at the open house. He was very receptive and aggressive. You know, you gotta be that in sales, "Hey I want your business and I want to help you's," sort of thing. We met a real estate agent who was a real likeable fellow, very helpful. We indicated that we were looking for our first house, and that we were getting married. We talked

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[2]Henslin (1972) also discovered that cab drivers make snap decisions regarding the trustworthiness (or seriousness) of a potential fare, based primarily on a variety of personal attributes and situational contingencies. The drivers, concerned with their own safety and with getting paid, often make a quick assessment of potential passengers prior to picking them up.

a little bit and he gave me his card.

He contacted me a couple of days later and we set up a few appointments to go out looking, and gave him the parameters, you know, he got the details of what we were after. And he took us around and was very helpful. You know, there's no way we could have found what we wanted without him. [I-37].

Attracted to a sign advertising an "open house" on a street where they thought they might like to live, the following prospects dropped in to have a look. Learning from the agent what they should be able to get for their existing property, and from the bank that they could get financing, they decided to submit an offer. Given that the agent had an interest in selling them the house, they decided to list their current home with the same agent who was conducting the open house. Since he had two commissions at stake, they trusted that he would work hard to sell their property and make the deal happen:

> [Purchaser] We were keen on the place and we decided to go with the same agent (agent holding open house for listing agent) who was involved at both ends. Actually, he was representing the main (listing) agent. He was the one who came over and looked at our place and we decided to use him as the selling agent for our place. We did that on the grounds that it made sense that he would be motivated. Clearly, he's got two commissions on the line with this, so he would definitely have an incentive to really push our place. [I-4].

Solicited Involvements

"Solicited involvements" describe explicit attempts by agents to recruit new clients or customers by: calling vendors whose listings have expired; making cold (phone) calls; cold canvassing (or door knocking); contacting vendors trying to sell privately; delivering or mailing flyers; and attracting prospects through media

advertisements.

Attempts to recruit new prospects also take place once direct contact, by phone or face-to-face, has been made. Whether at an open house or on duty at the kiosk which his company has at a local mall, one agent tries to develop prospect interest in himself by presenting himself as an agent who will "not pressure them." Sensitive to the idea that people don't like "pushy agents," he attempts to neutralize their reservations by putting the onus on them to initiate the call, if they're interested:

> [Agent] I figure a serious prospect, I try to make them contact me. Now that's a low-key way of selling, but I try to get my card in their hand, and I try to tell them my M.O. In other words that I won't be hounding them. If they are interested, please give me a call. If I can help them with anything, any questions at all, call me! And, if you'd like me to call you, please tell me, and tell me when and I will. If you'd rather just make the contact then, please, here's my number, give me a call. And that's the way I operate. [I-61A]

Unfortunately, this agent's cautious approach may be giving some prospects the impression that he lacks confidence. It is extremely doubtful that people who hold reservations for dealing with agents would take the initiative to contact someone whom they've met for just a few minutes. On the other hand, the low-keyed approach is appealing to some prospects, and the agent has received feedback to that extent from some of those who sought his services. Repeated contact ("Hey, I want your business!"), as the next agent suggests, is more apt to produce better results.

This consistently high producer finds open houses to be a good way of making contact with potential buyers, giving her the opportunity to recruit them into working with her. At the same

time she tends to be selective, zeroing in on prospects who seem to like her, with whom she feels she can build a good rapport. Her first task is to get their name, address and telephone number. Once she has that information, the recruitment process continues through "maintaining repeated contact" with them, reminding them that she is ready and willing to help them:

> [Agent] If I meet somebody and I like them, and I know that they like me, I'll stick with them. Like I won't be a pest, but I'll make sure that I get some brownie points. Build a good rapport. And even if they don't want to buy a house today, I'll send them a Christmas card or some kind of a little note here and there over the year. And next year they'll phone me. I think a lot of my success is just being in touch, follow up is what I would say.
>
> For example, somebody comes to an open house. They're just kicking tires. They're going to buy next year. They might buy tomorrow. They say next year. They might walk into the right house. So, I'll make sure they've got my card. If I feel like I could get somewhere with them, it certainly isn't one out of every ten, but maybe one out of every twenty people that come into an open house, you gain a little strength with them. You get their name, send them a card. Thanks for talking to me. Thanks for coming. Don't forget me when next year comes or if before hand. And just build a little rapport. And quite often that leads to something. Once I've got a friend, if they don't buy, they might tell another friend. So, to me, I guess the biggest word is follow up, to be in touch. [I-62A]

The above exerpt indicates the importance of repeated contact with prospects, once that initial contact has been made. Many agents seem to take their best shot at the outset, and if nothing develops, they forget about the prospects. Most high producers, on the other hand, recognize that recruitment is a process which continues over a longer period of time. It is seldom a one-shot deal. Instead, it is the gradual development of a relationship through a series of reminders that the agent wants, and expects, to

do business with them. Symbolically, the agent is courting the prospect. Agents also recognize the importance of keeping their name fresh in the prospect's mind, lest some other agent seize the opportunity to latch onto them. As Prus (1989b) learned from his research into retail salespeople in the field, repeated contact helps to "establish credibility."

This notion of repeated contact can also result in successful recruitment under varying circumstances. In the case which follows, a real estate agent who was already a friend to the vendor, was initially unsuccessful at getting the listing. The vendor, instead, listed it with two other agents who were strangers to him. When the second agent (the area's top producer) failed to sell it, he reconsidered his friend. She kept asking for the listing and her persistence finally paid off:

> [Vendor] I had it listed a couple of times with different agents, and when it didn't sell, I decided to give it to a friend of mine. She wanted the listing before but I decided to list it with someone else. This time she said, "You tried the rest, now try the best." So I listed it with her. [I-63]

In a similar vein, another agent kept in touch with an elderly couple for four years with the intention of listing their home when they were ready to sell it. Following the first contact, she did a comparative market analysis for them to let them know what their home could be marketed for at that time. Patiently, she maintained contact through an annual phone call, knowing full well that this aging couple, plagued by health problems, would have to sell in the not too distant future. When she contacted them in Obtober, 1996, the vendors told the agent that their health was deteriorating and

that they were seriously considering moving to an apartment. When she called them back in January, as she promised, they listed their home with her:

> [Vendor] She contacted us about four years ago. She did an evaluation to see what the house was worth at that time and she kept in touch with us. She would call us once a year to see if we were interested in selling. Well she called last October and we told her we were thinking about it. So we thought about it and we knew she was going to be calling us back in January and that's when we put it up for sale. [I-67]

Recruitment isn't limited to direct contact. Some real estate agents are very successful at recruiting new customers through use of the media. One agent, who sold fifteen million dollars worth of real estate in 1996, ran a full page advertisement in the local real estate newspaper showing the volume of real estate he sold in the previous three consecutive years, and how his accomplishments compared to other sales representatives in the area. He was also the number one sales associate for his nationwide company in 1996, as well as number one in sales volume over the last three years in his city. His advertisements contain the following lines aimed at promoting seekership:

> "CALL UPON OUR COUNTRY'S BEST TO GET YOUR HOME SOLD!"
> "CANADA'S #1 {company name} SALES ASSOCIATE FOR 1996"
> "FOR FRIENDLY, HONEST #1 SERVICE, CALL {name} TODAY'S LEADER IN REAL ESTATE" - "THE NAME THAT SELLS"
> "NOBODY WILL WORK HARDER FOR YOU THAN {name}, HIS TRACK RECORD PROVES IT"

Another top producer runs a series of "comical" advertisements in which he more or less makes fun of himself. Most advertisements show a picture of him in various poses. In one advertisement, he shows the picture of a dog sitting up holding a paw to its mouth.

The advertisement says, "Oh master, you should have listed with {agents's name}. He's a nice guy." In fact, nearly all his advertisements end up with "Call him, he's a nice guy." Given that audience interpretations are somewhat unpredictable, some people may be turned off by the advertisements. On the other hand, others (some of whom I've interviewed) find them funny and have called him to list their homes.

Both these agents also advertise their listings in the local real estate newspaper, and compared to other agents, they seem to have a lot more listings. When people see the volume of work they appear to do, it "establishes credibility" (Prus, 1989b) and results in some people calling them to list.

Other agents use a variety of slogans to establish credibility and to promote seekership. Some examples are as follows:

"THE NAME FRIENDS RECOMMEND"
"IF YOU WANT A HARDWORKING BROKER, CALL {agent's name}"

"ULTIMATE SERVICE" ....INNOVATION....HARD WORK....HONESTY
PLANNING A MOVE? PICK UP THE TELEPHONE AND CALL ME TODAY

Some advertisements are targeted at specific audiences. One couple describe themselves as a "Christian Real Estate Team," no doubt, with the intention of recruiting Christian vendors and purchasers, and possibly to give others the impression that they are honest. Regardless of their intentions, however, the interpretation of readers is what counts.

"Advertisements" may in fact be the single most effective way of generating new business. Surprisingly, the agents who do the most advertising seem to do the most business. One real estate

agent, working in a city in south-eastern Ontario with a population of less than two hundred thousand, claims that he and his partner do forty percent of the total real estate business in the entire city.[3] He attributes their success to running a full page advertisement in the local newspaper, everyday. Essentially, all they do is list, and most of their business apparently comes as a response to their advertisements:

> [Agent] You know Ron, it's a sad fact that you have to spend money to make money. My partner and I run a full page ad in the newspaper everyday. We spend about two thousand dollars a week on advertising. We both work about eighty hours a week and all we do is list. We rarely ever show homes unless somebody calls and asks to see one of our listings, and, of course, we'll show it. But we don't have time to work with purchasers. We don't even bother to return phone calls. We have an assistant who looks after that and who provides feedback after showings. All we do is list and we never compete for listings. We do forty percent of the business in the city and the rest of the agents hate us. Unlike agents in places like Toronto who have to drive all over the city to show homes, nearly all our listings are within ten minutes of our office, and it's a relatively new area. Most of our listings are good, saleable properties. We don't get the rundown places that other agents get. [I-82A]

Now here is an agent who admits that all he does is list. He and his partner do little more than advertise their listings in order to service them. Vendors see their homes being advertised, in all likelihood, daily, and they're probably pleased. But media advertisements generally play a small role, indirectly at that, in selling their properties. Most of their listings will sell through the MLS, with other agents representing the buyers. The agents use

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[3]While I have not been able to substantiate his claim, he seemed sincere, and I would expect that he and his partner have a disproportunately large share of the listings in their city.

the advertising primarily to "establish credibility" (Prus 1989b) thereby attracting new vendors. They are successful, it seems, due to their having such a big share of the listing market. Even agents who do not like them may find it difficult to avoid selling their homes.

My interviews with vendors reinforces the importance of media advertisements for "establishing credibility" and recruitment. This is particularly important in situations where vendors have experienced "disenchantment" (Prus 1989a; 1989b) with a previous agent or who do not have a trustworthy agent in mind.

Disappointed with the last agent to list his rental property, the following vendor called an agent in response to his media advertisements to list his property. The agent was the city's top producer over the last three years, and was number one in his nationwide company the previous year:

> [Vendor] I called him strictly as a result of his advertisements. I watched the papers of the last couple of years and he was the top seller for the last three years. So I figured, I might as well go with somebody who has proven to be successful. So I called him up and listed it with him. [I-76]

Often times, when agents promote themselves in the media, their success reflects on their company as well. Other agents in the company may benefit from their advertisements. In the case of the agent who sold the most real estate, by volume, in his city over the last three years, a prospective vendor got the impression that it was the agent's company which sold the most real estate. He called the agent's office and eventually listed his home with another agent in the office who happened to be the duty agent at

the time he called:

> [Vendor] We saw the ads in the media, the newspaper and so on. They were the company which sold the most houses. That's why I called them. I talked to that salesman several months ago about the market, then we went away for five months. I never heard from him after that. So when we decided it was time to sell, we called him along with the other two agents. Mind you they were all good, but we felt that his company sold the most homes and he was the most realistic in terms of price, so we listed with him. [I-64]

Besides providing evidence of success, advertisements can promote an aspect of the "agent's personality" which may appeal to some readers. One agent's advertisements featured a "comical dimension," although he also promoted his listings in other advertisements and usually had a lot of them. Attracted to the agent's apparent "sense of humor," one vendor called the agent to come over and list his home. He had never met the agent, prior to calling him, and knew nothing about him other than what was projected in the media:

> [Vendor] Well, I like his ads. He's got comical ads. And he does a lot of it. He advertises everywhere. I'd never met him, personally. I never knew the man at all. But just because he was so well publicized, I decided to give him a call. [I-70]

Another vendor also decided to list her home with the same (comical) real estate agent's son (father and son team), mainly in response to the agent's father's advertisements. She, too, got the impression that the agent's father sells a lot of houses from reading his advertisements in the local newspaper. Her brother also listed and sold his house through the agent's father, and boasted to her about his services. When she compared the agent's father's services to those provided by her previous agent, a friend

to whom she made a promise to relist with at a later date, she came to the conclusion that she did not receive good service. When the comical agent's son approached her about relisting, she listed with him:

> [Vendor] I was bombarded with calls after the listing expired. I told them I'm waiting for this one agent to call. I knew he'd be calling because you just need to look at his ads to see that he sells a lot of houses. You know he's gonna be going after the business. His son called instead, but he's the broker and his son works with him. [I-72]

Unfortunately for the first agent, the home was overpriced by the vendor's admission. The agent likely concluded that holding open houses and spending money on advertising would probably prove fruitless as far as selling the home.

The second agent, on the other hand, managed to convince the vendor to lower her asking price. This, of course, may make it easier to sell. It will likely generate more interest and it is possible that the second agent may be willing to do more advertising in order to attract a buyer, himself. Second, increased advertisements will benefit the agent, more generally, by establishing credibility with the vendor and the general public, and possibly generate new business.

Sponsored Involvements

"Sponsored involvements" is another form of recruitment and an important route of entry into real estate agent-client/customer relationships. This form of recruitment describes the efforts of others to bring the two parties together. Sponsored involvements

may take the form of direct referrals or recommendations by trustworthy third parties. In these situations, trust is often readily assumed as the party making the referral or recommendation usually possesses previous knowledge regarding all parties. Agents, therefore, like to foster a referral network as it relieves them, to a large extent, of neutralizing reservations and establishing trust.

Agent-to-agent referrals is a good supplementary source of new business, particularly for agents working in nationally (and internationally) organized companies. Some of these companies make booklets available to their members containing a list of offices, agents and agent profiles, to assist members in making referrals. Company or regional meetings, plus seminars organized by the company, also bring agents into contact with one another and facilitate the building of a referral network. One agent, because of his and his families reputation in the business, claims that they do a lot of referral business:

> [Agent] Because the (family name) are the number one (company name) family in the city, number one in sales, which could make us number one for the whole city. The company's head office in (city) knows us. We're categorized in a referral book. And, (company) is in the referral business. We have to pay 25 percent of the listing commission or the selling commission back to head office. But we do get that business, which is only done, on a priority basis, with the superstars. We're not the only family, but we get the most. I had one yesterday. A lady has a house in (town). Our closest office is in (town). So I phoned a guy today that happens to be taking a course with my son. And we will get 25 percent of the listing commission for referring that particular thing. Or, if somebody's going to Chicago, I'll get into the book and I can tell by the way they categorize us. We're in the hundred percent club, all three of us, that's the top category, and soon to be in the Hall of

> Fame. The Hall of Fame is that you've earned, each, a million dollars in commission. Not bad, aye? Wowee! But (wife) will probably hit it this year. And my son will hit it next year. So, referrals are a fill-in part of the business. [I-33A]

To gain an edge on his competitors, one top producer offers 30 percent of his share of the commission to agents in other jurisdictions to refer people to him, when the going rate is 25 percent. What prospects may not be aware of is that the agent making the referral is likely motivated by the percentage of commission he or she could receive if a sale is achieved, and may not have screened the agent in regards to his trustworthiness:

> [Agent] They're becoming of bigger importance. I work the general real estate markets in southern Ontario. I have a few different programs where I'll network with other agents at seminars. Through my company, I do a fax marketing program where I've got other real estate offices in different boards in southern Ontario on my computer fax and I'll regularly, on a monthly basis, put out a please post, send me your referral business, 30% referral. So I routinely go after that business. It's growing.
>
> What you tend to find with people, if they have someone who can recommend you, that saves you a lot of time in terms of getting a commitment from them to work with you. They feel more comfortable if there's someone they know in their home town such as an agent they know in their home town who is helping them for whatever reason. If they like that agent, whatever time they've put into building that rapport, they automatically transfer it. If there's a hundred hours put in with that person, it's like you get a hundred hours of rapport with that person, instantaneously. [I-32A]

Another agent also offers to "reduce the commission" by one percent if she represents the purchaser as well as the vendor when a deal is reached. By making such a promise, the agent is promoting referrals. Once a for sale sign goes up, it is not unusual for interested parties to approach the vendor, directly.

The vendor is more likely to refer others (friends, family members, neighbors, as a matter of fact, anyone) who might approach them on their own directly to the agent:

> [Agent] If I list and sell a house, when I'm listing it, I'll say, "If I sell this, I'll cut a percent off." I always say that. It just comes out automatically. Nobody even has to ask. I mean you save a thousand dollars or whatever. They'd be pleased with that. [I-62A]

Purchasers, particularly first-time buyers, are often willing to accept the recommendations of trustworthy third parties. When deciding to move back to his home city from elsewhere in the province, the following purchaser bought his home through a real estate agent who sold several homes for his parents. His mother contacted her on his behalf to get the search for a home started:

> [Purchaser] It goes back about ten years. We've bought about seven houses through her, through my parents. So she's their realtor. That's how I got hold of her, because she's bought and sold for my parents. My mom pretty well called her and said, "My other son's looking for a house." So then we got the realtor book and went from there. And then we dealt with her on our own. I moved down myself, my wife and son were still up north at the time. So when I came down, I think my mom called or I called, one of us called and started the ball rolling. [I-65]

Another first-time buyer accepted his future mother-in-law's recommendation for a real estate agent. The agent was a friend of his girlfriend's mother and someone whom she bought and sold through in the past:

> [Purchaser] {Wife:} She's a friend of my mother's. Her and my mother are in a sorority together. So they have a social circle together, and that's how we knew her. Plus she had sold for my parents before. Like my parents were selling their homes when I was a child, and she always did it. So we just went to her, because we knew her and trusted her. [I-69]

Evidence supporting sponsored involvements can also be seen in the next section on seekership whereby buyers or sellers, concerned about finding an agent whom they can trust to look after their interests, often turn to a trustworthy third party for a recommendation. The section under heading "promoting recommendations" in chapter six will also provide further evidence regarding the importance of referrals and recommendations for establishing trust and neutralizing reservations in agent-client/customer relationships.

Seekership

The term "seekership" (Lofland and Stark, 1965; Klapp, 1969, Prus and Irini, 1980) has been used in reference to a self-defined interest, attraction, or fascination regarding some situation. When we apply these notions of seekership to the real estate setting, seekership describes the efforts of buyers or sellers to find an agent whom they feel is trustworthy, either through examining their own circle of contacts, or asking trustworthy others whom they might recommend. But seekership is not always relevant when considered in reference to finding a particular agent. Some prospects, particularly those who are unfamiliar with real estate agents, may not be concerned with the selection of an agent. An agent, to them, is just another salesperson, and they tend to see them all as being capable of doing the same thing. These prospective buyers or sellers may simply drop into a real estate office, or call as a result of an advertisement or flyer,

requesting an agent's assistance. They may not hold significant reservations about dealing with the agent at that point in time. Neither is trusting the agent necessarily a concern at the outset.

The concept of seekership in relation to finding a special agent comes into play when buyers or sellers have reservations about utilizing an unknown agent's services. Knowing something about an agent seems to be of far greater importance to some people. Typically, they seek the services of an agent whom they feel they can trust. Where people have concerns about the choice of an agent, seekership may be reflected in two ways, either being "familiar" with an agent, first-hand, or seeking "recommendations" from a trustworthy third party. In these situations, seekership can be extended to relationships.

Prus (1991), for example, found that some shoppers tended to trust salespeople whom they knew better. His research showed that when they knew salespeople better, compared to dealing with strangers, they believed they would be treated better, with greater sincerity, and/or be directed to better deals. This idea of getting a better deal is also supported in a study by Gilderbloom (1985) regarding landlords and the adjustment of rent. He found that professional landlords tried to distance themselves from tenants so as to avoid pressures to reduce rents. Similar to Prus' (1991) finding, our research indicates that prospects, who are concerned with honesty, may seek the services of an agent with whom they are already familiar from some other social setting, whom they assume would work with their best interests in mind:

> [Prospective Buyer] Actually I worked part-time and when I went back to work, I was looking for a baby sitter. His (agent's) wife had an ad in the paper, and I phoned. She baby-sat my daughter for a few months, then they moved. I didn't have a car, so, location-wise, I found another baby sitter. I still kept in touch with her and he's in real estate. I know him. I've been to a couple of parties he put on for his clients. I think on the whole he's pretty honest. I think he's a good guy. I'm not one for real estate agents, but if I had to pick, yeah, he takes the cake. So I called him about a house that I saw listed with another company, and we put in an offer. [I-49]

After reaching the decision to look for his first house, a prospective buyer sought the services of a real estate agent whom he had once worked with in another occupation, but hadn't had any contact with for many years. His recollections of the man were that he was always fair in his dealings with other people. Distrusting agents after listening to his father (a retired real estate agent) bragging about taking advantage of those whom he served, he sought the services of someone whom he thought he could trust:

> [Purchaser] I knew him, I knew him personally. Before he was a real estate agent, I had worked with him in a different job. We hadn't seen each other in probably, at least, ten years. I remembered him. He was a pretty fair guy. [I-70]

For some prospects, the search for an agent involves a sort of "screening or assessment process." After looking for homes on his own by calling agents whose names were listed on signs or in advertisements, and dropping in to open houses, one prospective buyer sought the services of one particular agent when it was time to buy. Compared to the other agents he had met, he got the impression that she was the most knowledgeable:

[Purchaser] We looked at houses up in (town), which is 25 miles from our summer cottage. It's a nice little town. In fact, we even knew the street we wanted to live on. We watched the newspaper, checked the prices on houses advertised in the mall, and called some of the agents whose names were on the signs, or talked to them if we saw them at the open houses. So we had a good idea as to price.

When we decided to sell this place, we called an agent whom we met up there. She seemed knowledgeable as to the market, and was always able to answer our questions. She seemed competent and that's what was important to us. So we phoned her and she sent us some information on what was happening in the area we were interested in. Then once this place was sold, the agent who listed this place {both agents worked for same company} called her and told her exactly what we were looking for. [I-64]

Seekership also frequently involves consulting with trustworthy others for a recommendation or referral. When prospects are concerned about the agent who might be representing them and are not familiar with a trustworthy agent, they may ask someone, whose opinion they can trust, if they know a good agent. Similarly, if they know someone who bought or sold recently and who expressed their satisfaction with their agent's services, they might ask for the agent's phone number, or for an introduction.

Finding herself in a pressure situation whereby it was necessary to dispose of a rental property which was not producing sufficient income, and lacking confidence in an agent with whom she had previously dealt to sell the property, one vendor sought a recommendation from a trusted friend. Her friend worked in an occupation which put her into contact with several real estate agents and she believed her friend was qualified to assess their competence:

[Vendor] A friend recommended them (husband and wife

> team). She just bought a house not that long ago and she's also in a business that she has contact with other real estate agents. So I just thought I'd ask her if she knew anybody that she would recommend, and that's who came out of it. [I-66V]

In another case, a prospective buyer relied on his best friends opinion in the choice of an agent. He had met the agent, earlier, through his best friend, but wanted to know more about him. His friend gave the agent the stamp of approval and contacted him on the buyer's behalf. Given that the agent had close ties with this friend, the buyer felt he could trust him not to do anything to deceive him:

> [First-Time Buyer] {Husband:} He (agent) and one of my best friend's sister go out together. And I spoke to my friend first and he phoned him (agent) up and had him call me. I had known him as an acquaintance, but other than that, I didn't know him really well. {Wife:} We were told he was a pretty good guy through our friends. {Husband:} I guess the fact that I did have a previous relationship with him through my friend that I felt that he would be a little less likely to shaft me, so to speak, than would someone who has no connection to me at all. And I felt he'd be pretty responsible in that way. [I-51]

Closure

While recruitment and seekership are probably the most dominant routes to involvement in agent-client/customer relationships, buyers and sellers may experience varying degrees of pressure to become involved with particular agents. Prus and Irini (1980) used the term "closure" in reference to people engaging in certain activities which they might otherwise have avoided in order to fulfill specific obligations. Given the amount of money in terms of commissions at stake, and the competitiveness of the business,

some agents strategically attempt to create a sense of closure to get prospects to work with them.

One of the best opportunities for doing so is at an open house, especially where agents succeed in getting the visitors name and phone number. In one case, the prospects wrote their name in the guest book. The agent, who was an immigrant, followed up with a phone call and began to show them places. Trust rapidly eroded as she insisted on showing them properties which they deemed unsuitable. Because she was an immigrant, they found it difficult to bring an end to the relationship for fear she would think they were prejudiced. Eventually they found another agent, but prior to doing so, they continued working with her well beyond their willingness to do so:

> [Prospective Buyer] We happened to stumble on her at an open house. We went to an open house that was in the paper. We wanted to look at it. You know, you write your name down and she hounded us after that, and I mean hounded us. She would call us. She would tell us off. Oh, she was a nightmare. We had worked with her a bit, but like I say, she wasn't showing us anything that was suitable for us. {Researcher: "What initially impressed you about her?"} Nothing. Nothing initially impressed us. {Researcher: "So how did you end up working with her?"} Just because she was so bloody pushy. Oh she was just awful, and she was so irritating and like calling, "Should I come and show you this house? It's in (name) Park." "We don't want to live in (name) Park." And she would say, "Well, oh it's a nice house." I'm not prejudiced. She was (an immigrant) and she wanted to sell homes, first of all, that were either listed by her (immigrant) friends, or, who were owned by her (immigrant) friends. So she would try and push those properties on you, even if they didn't suit your needs. This one house in (name) Park, she tried to get us to look at two dozen times. I kind of felt that if I actually confronted her with, "We're not gonna use you anymore," she'd probably cry discrimination. And that's not why we didn't want to use her. She wasn't giving us what we wanted. She phoned everyday, some days.

> So when the other agent came around, we thought, "Well okay, fine, we'll see what he does." His daughter is my daughter's best friend. So that's how we found out that he'd taken his licence. So we said, "Fine, we'll get you to get us a house." [I-43]

One man, selling his and his wife's home in order to settle a divorce, experienced a sense of "closure" in that he listed with the agent of his wife's choice, even though he did not wish to do so. They had purchased their home through the agent and he did not trust her. He saw her as two-faced and feared she would work with her best interests, rather than his or his wife's, foremost in mind. He wanted to list with someone highly recommended to him but his wife would have no part of it. She insisted on choosing the agent:

> [Vendor] We dealt with her once before, and I told my wife I didn't want to deal with her because I didn't like her the first time. You know, something about her I didn't like. And I'd asked for somebody else who was recommended to me that is a good salesman, and he was doing well when things weren't going so well. And she wouldn't trust my judgement on a real estate agent. She had to have her own. I said, "Go ahead, take whoever you want!"
>
> I wasn't happy with her at all. I felt she came in like a shark. I got these people and they have to sell. I'll do everything I can and make them do anything they can do to get rid of it. We (husband and wife) weren't on friendly terms at the time, so let's get rid of this place, and she knew it and I think she took advantage. [I-31]

As an afterthought, their home sold the first week it was listed, but below the husband's minimum acceptable price. He is convinced that the agent took advantage of the knowledge that they were getting divorced and that his wife was anxious to get the property sold. Given that the buyer was also a real estate agent, his suspicions might not be unfounded.

Agents may strategically "invoke closure" in order to get prospective buyers to work with them. One way in which some agents may do so is by getting them to sign a "buyer-broker agreement," which works much the same as a listing contract. What it does is obligate the prospect to buy through the agent, should they buy during a specified time period, otherwise they are liable to the agent for the commission. These contracts are relatively new, having been introduced in January, 1995. While some agents get prospects to sign them in order to secure their loyalty, many agents are still reluctant to use them for fear they may alienate prospects.

One agent recalls her experiences with a prospect who wanted to buy a home through her and not through the agent with whom she signed a contract. Apparently she was not fluent in English and claimed she did not understand what she had signed. Nevertheless, both her lawyer and the local real estate board insisted that she would either have to buy through the agent with whom she had signed a contract, or be responsible for paying that agent's commission if she bought through someone else:

> [Agent] I haven't used it. I think I'm gonna have to. A few of them are using it in this area. And what's happening is, the answer I'm getting from agents is the answer I don't like. I can get you to sign that you're gonna buy from me, and I can go on holidays and I don't have to worry about you. Or, I can get you to sign, and if I don't want to take you out tonight, you'll wait till tomorrow night. I had one guy, a woman I was working with, very, very foreign, she signed it. And she didn't know what she signed. And she cried, she went to her lawyer. I mean this went on for two weeks. And I dug my heels in and I fought for her. I didn't think I'd win, and I didn't win. But she didn't know what she signed. If she would have bought the house from me, she would

have had to pay him. And she didn't know what she signed. [I-62A]

The idea of buyer-broker contracts virtually eliminates the assessment process. Once signed, buyers are stuck with an agent. While the same situation happens when they sign a listing contract, at least all the other agents who are members of the real estate board can sell the house, as long as it's listed MLS. However, just as the above agent indicates, if the agent isn't available to serve the buyer, then the buyer is out of luck. This can lead to missed opportunities, poor services and inadequate representation, if a contract is signed with an inattentive agent.

There are softer ways of creating a sense of obligation other than pressuring prospects into signing a buyer-broker contract. Recognizing that prospective buyers may be reluctant to commit to working exclusively with one agent, agents may develop strategies in order to trick prospects into working with them. Loaning prospects their MLS book is a manipulative way of facilitating further contact by creating an obligation to return it. This makes asking the prospect for their name and address less intrusive, and helps to neutralize the reservations they may have for revealing that information. At the same time it helps to create more interest as the prospects become exposed to other listed properties:

> [Agent] Well, if the person said, "We just started looking." And I say, "Well take my book." That's always a good approach. Now the books are gonna be gone one day, so I won't have that. Anyways, I say, "Take my book, and if you find anything that you want to look at, then let's look. Or, I can tell from what you pick out what your tastes are, and make a little list. If you

> make too many on the list, drive by and stroke some off, because pictures lie sometimes. Pick out a few houses, tell me what night and we'll go look. If you don't like them, it didn't cost you anything." And they've got my book, so now they've got to get back to me, or I've got to get back to them. So, now we've got a little thing going. [I-62A]

All too often disgruntled vendors buy another home through a different agent. Agents may create a sense of closure in order to secure their commitment in the role of purchasers by offering to reduce the commission (usually by one percent) on the listed property, at the time it sells, providing the agent represents them in the purchase of another property:

> [Agent] They have to try it, people have to try it, and sometimes I do cut it. Depending on the situation. If I'm gonna sell you're gonna buy another one, I'm gonna say to you, "Well let's work out something on the commission, but wait till you buy that one." Then, of course, I've got them, because they want to see what I'm gonna do. They're not gonna go shop with somebody else. [I-62A]

While not all that common, agents sometimes experience closure in working with buyers and sellers. Buyers who refuse to let the agent qualify them, or who refuse to get prequalified by the bank, are often viewed suspiciously by agents. Most agents prefer to have a letter of commitment from the bank before they start looking, extensively, at homes. Should the prospect not cooperate, many experienced agents would be reluctant to invest much time in showing them homes, as it is not clear if they can afford one. Instead, they may refer them to a less experienced agent who will pay the agent a referral fee if they succeed in selling them a home. Other times they may show (poor) prospects the odd property they find on their own, or work with them when they have no one

else to work with. Less experienced agents, on the other hand, usually in need of new customers, often gamble and work with them on the chance they can afford the properties they are asking to see. While some people are secretive simply because they feel their finances are confidential (at least as far as the agent is concerned), more often there is something wrong (for an example, see agent's perspectives on "phasing out buyers" under "uncommitted" in chapter eight).

In much the same way, agents sometimes take what they believe to be are overpriced listings, rather than lose them to some other agent. While agents believe these properties will likely not sell, they sometimes do, and when they do, the agent gets paid. Typically, agents who take these listings invest little time or money in them, unless they feel they can influence vendors to lower their asking price.

In the following example, one high producer agrees to take overpriced listings at the prompting of the vendors, making it clear to them that she would do little more than list it MLS and put her sign on the lawn:

> [Agent] Like I've said to a couple of people, "I don't want it because it's too high." And they've said, "Well take it and try it. We won't expect much of you." And I've done that. I've turned around and taken it. And said, "Well don't expect me to sell it at that price. I'll put it in the book and it's in the computer and your signs on the lawn. But I'm not gonna spend a lot of money on it." And they say, "Okay, we want that money. If it happens, it happens." So fine, I've got a couple like that. [I-62A]

CHAPTER SUMMARY

This chapter has examined some of the considerations involved in the initiation of agent-client/customer relationships. The first section looked at the ways agents attempt to create an image of themselves. Recognizing that first impressions are vital to involvements, agents attend to "appearance" and "manner" (Goffman, 1959). Typically, agents adjust their style of dress and select motor vehicles which are conducive to fitting in with targeted prospects. They also use these symbols to give prospects the impression that they are successful, to "create a facade" as one agent put it, even if they are not. Media advertisements can also be used to create a desired image. During interaction, agents often try to present themselves as "honest" to prospects. They may also try to "personalize encounters" by disclosing interests which they have in common with prospects in order to better "fit in." Should they succeed, then the prospect is likely to see the agent as more trustworthy, opening the door for a relationship.

In the second section, the ways in which agents "develop the interest" of prospective buyers and sellers, intensifying their interests and getting them to make preliminary commitments to working with them, was examined. Building on the works of Prus (1989a), it was discovered that developing interest may involve (1) "making it easy" (for buying or selling), and (2) "promoting greater purchasing autonomy" (finding alternative homes for them to see).

Given that some people prefer to buy or sell privately,

people's decisions to "go alone" were also examined. It was discovered that vendors may attempt to sell privately in order to (1) save on the real estate commission. They are also more apt to do so when they: (2) have experienced disenchantment with real estate agents; (3) have experienced past success in selling privately; and (4) are not pressured to sell. Private buyers, on the other hand, are more apt to be "bargain hunters" who wish to pay less given that no real estate commission is to be paid.

The fourth section looked at the various ways in which real estate agents come into contact with their clients and customers. In doing so we discussed the three principal routes to involvement, recruitment, seekership and closure. Three types of recruitment, inadvertent involvements, solicited involvements and sponsored involvements were identified as relevant to agent-client/customer relationships. While not all prospects were concerned with whom they would get for an agent, "seekership" was evident for some who took the initiative to find someone trustworthy. Usually it was someone whom they already knew in some other capacity, or they sought a recommendation through their circle of contacts. "Closure" was also relevant as some buyers and sellers succumbed to the pressure of working with a particular agent even though they did not want to. Even agents occasionally agree to work with certain buyers or sellers under duress.

Regardless of how agents and their clients or customers come into contact with each other, agreeing to work together and building a relationship may involve overcoming any number of

reservations participants may be experiencing. The chapter which follows discusses the kinds of reservations buyers and sellers may have for working with agents, and the ways in which their reservations may be neutralized.

CHAPTER VI

DEALING WITH RESERVATIONS

Once agents and their clients or customers come together, the building of a relationship may commence. While people do sometimes work together even though they have reservations (e.g. experience closure), or may develop reservations as a relationship unfolds, it is often necessary for buyers and sellers to overcome any reservations they may be experiencing for working with a particular real estate agent in order for the relationship to move forward. Building largely on the works of Prus (1989a, 1989b), this chapter examines the kinds of reservations vendors and purchasers may have for working with a real estate agent, and the ways in which agents may try to neutralize those reservations. The perspectives and experiences of vendors (including those trying to sell privately), purchasers and real estate agents will be utilized according to their relevance.

RESERVATIONS

When people buy or sell real estate, they also purchase the services of a real estate agent to represent them in the process. While some vendors and purchasers are more knowledgeable and able to take a more active role in this process, the vast majority are, to a large extent, dependent on the agent. Once people become involved in these processes, their experiences with agents enables them to accumulate a "stock of knowledge" (Schutz, 1971) about what agents do, as well as what they should or should not do as they go

about their various activities. Given what is at stake, both financially and otherwise, their assessment of the agent is of primary importance to their decision to have the agent act on their behalf.

Vendors or sellers are probably more concerned than purchasers with finding a trustworthy agent, for it is the vendor who always signs a contract with the real estate agent, and is legally bound by the terms of the contract and tied to the agent for a specified time.[1] The selling of their home is virtually in the hands of someone else, and beyond complaining, there is little that they can do to terminate the agent during that time frame without consequences to themselves. Should buyers sign a contract to work with a particular agent, then they, similarly, are bound to the agent for a specified time.

Although buyers who are not under contract can change agents at any point in time, they may have reservations about working with certain agents. Buyers are largely reliant on the agent for the selection of properties which they get to see, and for the presentation of offers. Unlike vendors, they do not get to be present for offer presentations.

The reservations discovered in this study reflect the kinds of reservations shoppers have for dealing with retail vendors reported by Prus (1989a). They include "skepticism" regarding the agent,

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[1]There are instances when a home can be offered for sale by an agent based on a verbal agreement with the vendor, but this is rarely done. Some agents refer to these as pocket listings. Where they do occur, usually the vendor is committed to the agent, and there is a high degree of trust between the two parties.

held by both vendors and purchasers, and "price concerns" (concerns regarding the charging of commissions as well as listing price) experienced by vendors.

Agent Skepticism

"Vendor skepticism" was one category of reservations discovered by Prus (1989a) from his study of the retail marketplace. His study showed that "honesty" and "competence" were among the concerns prospective buyers sometimes had regarding either the company or the salesperson, particularly where purchases were more significant. Our study indicates that skepticism regarding real estate agents reflect concerns buyers and/or sellers have regarding the agent's (1) honesty, (2) commitment, and (3) work ethic.

Concerns With Agents' Honesty

A prospective purchaser developed an immediate distrust of the agent hosting an open house when this agent tried to talk her into making an offer on the house, even though she told him that it was unsuitable. He attempted to convince her that she would not find what she was looking for in her price range, and that this home could be altered to suit her needs. When he called her later and offered to show her other homes, but at the same time refused to supply her with details, it reinforced her perceptions that he could not be trusted and she refused to look at the homes:

> [First-Time Buyer] He just said, "Well I've managed to find you a few properties that have what you're looking for." And, he wouldn't tell you anything about them until you agreed to meet him. And I thought, well if

> they're really that great, you should be trying to sell me to say come out and see them, not just well I'll have to show them to you when you get there. It didn't give us any incentive to go. He wouldn't say if it was a bungalow or a two-storey or a shed, or what it was. He wouldn't tell you. And I thought, that's not the right way to get customers. [I-52]

One might also infer from this buyer's account that the agent did not trust her. While showing a home does not prevent another agent, including the listing agent, from selling the property to the purchaser, it would appear that the agent feared that if he supplied her with the addresses and further details, she might view them and possibly buy one of them through someone else.

Another purchaser suspected that his real estate agent may have misinformed him about the electrical service in a home he bought. He was told, prior to the purchase, that it had a 100 amperage electrical service. After the deal closed, he discovered that it only had a 60 amperage system. This resulted in an unexpected expense of $2,500 for updating the electrical service. He wondered whether or not the agent lied to him in order to make a sale, made an honest mistake, or simply did not know. The end result was a nagging doubt regarding the agent's honesty:

> [First-Time Buyer] I don't know that we didn't get lied to. I don't know if it was an honest mistake or whether we got lied to. I'm giving him the benefit of the doubt, but, it is a doubt. He may not have known. He should have known. When he's operating in our interest, he's supposed to know that. I do remember asking the question, "What kind of service does this house have? Is it 40, 60, or 100?" And somebody said, "100." [I-13]

While real estate agents are not given specific training in housing construction or a home's various systems, buyers expect them to be competent in these matters. From a legal standpoint,

should buyers act on the their advice, they may be held accountable to buyers when they make false statements, even if it is an innocent misrepresentation that is outside their realm of expertise. Proving it, of course, may be difficult.

A private seller distrusts agents partially because an agent friend of hers has been known to create phony competitors. The agent apparently tries to solicit offers by telling prospects that another offer is coming, when it is not. This often results in what the purchaser believes is a multiple offer situation, enabling the agent to manipulate the buyers into submitting a higher offer than they originally intended. If discovered, the buyers could sue the agent for the difference. The agent could also lose her licence, her entire commission, and be charged with fraud. The idea that agents will take such risks, which was also reported by Lauer and Murray (1989), is an indication of not only the competitiveness of the industry, but the amount of money riding on each sale:

> [Private Vendor] A girlfriend of mine is a real estate agent. She'd get relatives of hers to sign an offer. Then she'd say, "You're going to have to hurry and get an offer in, because we got another offer coming in." She got one couple to up their offer $20,000, "to be sure you're going to get it." But there was no other offer. She'd say to the buyer, "If you put your offer in, I'll present it first. I want you to get it." [I-11]

Obviously the agent's relations are not legitimate buyers. However, by having them sign an offer, it makes her legally, less culpable. They can certainly withdraw the offer anytime prior to its acceptance, and likely do. The point here is that these practices, apparently, do sometimes occur.

Doubts About Agents' Commitment

Some vendors and purchasers have had experiences with other agents which left them doubting the agent's commitment to work with their best interests in mind. Vendors generally expect that real estate agents who have listed their properties will try to motivate prospects to buy their homes, discourage prospects from viewing competing properties, and try to sell their homes at the best possible price. Buyers, on the other hand, expect real estate agents who represent them to show them every suitable property, regardless of who holds the listing, and to try to get them the best possible deal.

One vendor, attempting to sell privately, indicates the reservations she has for listing with an agent. Her encounters with agents, when touring "open houses," left her with the impression that agents try to unload their listings as quickly as possible, regardless of the price. She also discovered that many agents were quick to reveal information about their vendors that was likely meant to be confidential, and when made public, could be harmful to the vendor's position. Imagining herself in their place (Mead, 1934; Blumer, 1969), one can understand how it is that she would be reluctant to trust an agent to market her home:

> [Private Vendor] I might sound a little sceptical, but when I've gone out to open houses with my husband, we've walked into homes, and I know it's unethical, and these realtors have said, "Well this is the asking price but I'm sure you can low-ball them because they're having financial troubles or their marriage has just fallen apart," and those sorts of things. Whose interest are they acting in? They're only acting in their own best interest. They want to get that place sold as quickly as they can. They don't care what's offered for a price.

> They're not working for the people that are paying them, the owners. And I've had that experience quite a number of times going through open houses. Because I don't really know these realtors personally, or whatever, I don't know who you can trust. And I'm sure there are some really good ones out there, but we've just had some bad experiences. It could well be the economy because there's just so many houses out there, they can use those lines because they can go back to the owner and just say, "Well nothing is moving, but here, this is an offer, maybe you should take it." I don't know what's actually going through their minds, but I don't find it very professional that a realtor will sit there and give you the nitty gritty on what's happening within the family and their financial and their personal lives, and say, "Well I'm sure you can work out things a lot cheaper." Because, I mean, at any of these houses, we hadn't even shown interest that we wanted to buy the house. It wasn't as if they had us biting. It was just an off-the-cuff comment, you know, to maybe try to get you to be interested. And, I didn't appreciate that. But I'd walk out of there with my husband, we'd just shake our head, we couldn't believe the lack of professionalism. [I-35]

On the other hand, as the informant did indicate, the agent was likely trying to "develop interest" in the property by suggesting that they could get a good deal. This sometimes works with bargain hunters, although it is doubtful that his vendors would be willing to go along with this strategy.

A major concern of prospective buyers is agents trying to manipulate them into buying their own listings. If agents sell their own listings, they stand to make double the commission (the listing broker and the selling broker share). This also helps them to expand their client base, thus increasing their chances of doing more business in the future. While not a frequent occurrence, some agents, it is suspected, will limit showings to their own listings, their company's listings, or to selective agent's listings. More common is the practice of showing other agent's listings which are

not as attractive or are overpriced, culminating the showing with the one they wish to sell (likely their own).

One buyer changed agents twice before turning to a relative to find her a suitable home. The agents she had been working with seemed to be limiting the selection of properties to their own listings, and she felt they were pressuring her to make an offer. Eventually she asked her father-in-law, a part-time real estate agent, to help her out:

> [First-Time Buyer] I don't like going to an agent to see what's in the area because all they do is show me their own listings. You have to ask them to show you the book. The first two agents (agent team), if one would have said, "Here's what we've got available for our company, but here's also what's available with these other companies," that would have helped. That would have gave us the idea that they wouldn't mind if somebody else is going to have to split the commission, just as long as the customer is happy. That's all they were directing us to were their company's listings. And they were putting us under pressure to buy only from them..... So they lost us. [I-21]

Following the offer presentation on his home, this next vendor became irritated with the two real estate agents bragging to each other about the amount of money they were making. Their behavior reinforced his view of real estate agents that their commitment is to themselves, and not to those whom they represent:

> [Vendor] One night we were sitting at my kitchen table. My real estate agent was there and the purchaser's real estate agent was there. And the two of them were comparing how well they've done this year, how much money they've made and how many houses they've sold, at my kitchen table, while we were signing a friggin deal. I felt like throwing the buggers out. Then they got off into their nice new Lincolns and drove away. Bunch of bums. At least leave my house and talk about stuff like that.
>
> My dad was in real estate, and he used to talk about the commissions and the stupid people that were buying

> and selling. And all real estate agents that I met through him all bragged about how much money they were making. And they don't care about guys like me and you that are buying and selling a house. They're not in the real estate business because they like talking to people and they like making friends, because once you've bought your house, you don't see them again. And once you sell it, you don't see them again. I don't believe the crap that they're in there for my own best interests and everything else. They're in there, they've got all these gold rings on, like the agent who sold my house, if you've ever seen him, he's got more gold on. He's got great big gold rings and diamonds and gold chains, big gold watches. Get out of here. Drives a nice new Lincoln. He's living a better life than I am, and he's making his money off people like me. [I-70]

While the vendor obviously distrusts real estate agents, and the flaunting of their wealth, which the two agents so openly displayed, turned him off, his agent seems to have done a good job for him. He wanted a quick sale and he got one. In addition, the agent persuaded him to list about five thousand dollars higher than he initially wanted, in essence, saving him the amount he would have paid in commissions. It does lend credence, as well, to Goffman's (1959) ideas of "personal front." The way the agent dresses, plus the kind of cars they drive, are "sign signals" which serve to tell others that they are successful. To the above vendor, these sign signals have a somewhat different meaning. They seem to reflect the exploitation of others, especially when the agents so openly boast of their achievements.

Concerns With Realtors' Work Ethic

Selling real estate is one of those businesses where the salesperson's efforts are scrutinized, regardless of the outcome. In nearly all other fields, an individual's performance is

determined by the outcome. With real estate agents, the vendor is made aware of most of the activities which go into selling a home (holding open houses, advertising, distributing flyers, etc.). In fact, if the home sells too quickly, before the agent spends much time or money on marketing it, the vendor might see the agent as making easy money.

When people list their homes with a real estate agent, they expect the agent to work hard at selling it. Perhaps the most visible way agents work at selling homes is by holding open houses. Most vendors, therefore, expect agents to open their homes to the public. Agents who hold frequent open houses will appear to be earning their commission. In addition, agents who greet people at their open houses and who emphasize the property's positive features are more apt to be viewed by visitors as doing their job. Those who simply sit there allowing visitors to roam about on their own, which many of them do, may be seen as unmotivated.

One home owner recalls having her home listed with three different real estate companies who were unsuccessful at selling it. It almost sold, once, but the deal fell through when it was discovered that the garage was encroaching (by approximately one foot) on an unused strip of land which was owned by the city and designated for a laneway. A second agent rented the house, listing it at the same time, but apparently did little to sell it. Once the listing expired, for the third time, the vendor ran an advertisement in the newspaper, attracting a buyer within a week, eventually selling the home herself:

> [Private Vendor] I had had it with realty, I think three different companies, and I was just getting so frustrated. We had it almost sold and then the people backed out over a detail. I don't think it was worked well enough. I was quite disappointed in the real estate. One real estate agent actually moved into the house because he needed a house to rent. I thought, "Well this is great, he'll sell it for sure while he's in there," and he just needed a place for a few months. But he didn't have an open house. I don't even think he took anybody through all the time he lived there. [I-5]

An advantage to selling privately recognized by one vendor is the ability to hold frequent or regular open houses. While agents usually have a number of listings and may have to spread themselves around in order to please all their clients, private vendors have only one home to sell and can hold as many open houses as they want. The following private vendor believes that he has a better chance to sell his property than agents who must divide their time among several vendors, preventing them from holding frequent open houses:

> [Private Vendor] A real estate agent might have, say a half dozen listings, and must satisfy each client. They might only be able to hold an open house once in awhile, whereas we can hold open house every weekend, facilitating a quick sale. [I-9]

Some agents will say almost anything in order to get a listing and then more or less disappear. This is a common complaint echoed by many agents who chase expired listings, and by myself, first hand, from vendors whose listings have expired. Some agents make promises to vendors regarding the marketing of their properties, but once the listing is secured, they simply wait for some other agent to bring them an offer. In many cases they convince vendors to list for extended periods (six months to a year), and, in

extreme cases, are never heard from again. More often, the withdrawal of services is more apt to be associated with agents who have taken overpriced listings and cannot persuade vendors to lower their asking price. The agent then refuses to waste his or her time or resources on a listing which he or she believes will not sell. Vendors, however, may see the situation differently. To them, the property is not selling because the agent is not making sufficient effort to attract prospective buyers.

A private vendor suggests that she will attend open houses to see, first-hand, just how an agent conducts him or herself as a means of finding an agent with whom to list, should she be unsuccessful at selling privately. Her observations that many agents seem disloyal to their vendors when touring open houses, and that agents frequently sit back and let visitors wander about on their own, left her with doubts regarding their work ethic:

> [Private Vendor] At some point we may end up listing. I think before you list with a realtor, you want to know who you're listing with. Probably what we will start doing is if we do want to list with a realtor, we'll start going out to some open houses and finding out the way these individuals conduct themselves. When you look at the whole scheme of things, like with this house here, because it is the lower end, it's not like you're giving them a lot of money, but still it's extra money towards the next place that you're buying. If the person's not going to work for you, why should I give them money if they're not doing any work. If the person is willing to work for you, and do a decent job, then certainly that's fine. But I don't want to give a realtor four or five thousand dollars of my money if they're not gonna work for me. This is blown money. I mean, I just wouldn't go and walk down the street and give someone five thousand dollars for no reason. And that's sort of the type of performance I've been seeing at some homes. [I-35]

In their competition for listings, some agents may tell

vendors that their home is worth far more than it is in order to get them to list. More often the agent agrees with the vendor's asking price, and most vendors have an inflated idea of their property's market value. Once the agent has the listing, then he or she may focus on the negative features in an effort to get the vendor to lower the asking price. At least this is the way some vendors see it. Vendors often feel betrayed by this, and blame the agent for the property not selling. From their point of view, the agent did not work at selling it (did not hold enough open houses or do enough advertising):

> [Private Vendor] Real estate agents wear two hats. They don't work in your best interests. The purpose of having them in is to free you of the hassle, then they try to wear you down. They try to badger you into getting rid of it at a low price. They tell you all the wonderful things about it, then they run the place into the ground. They tell you it's worth mega bucks to get the listing, then they sit on their butts. They insult your intelligence. [I-11]

Most agents would agree that listing a home through Multiple Listing Services is the best way of selling the home. Much of the other activities (open houses, advertisements, flyers) are geared primarily towards pleasing the vendor and attracting new business. The failure of agents to keep vendors informed of what they are doing to market the property, even if it is not entirely for the vendor's benefit, may leave the vendor with the impression that the agent is not putting much effort into trying to sell it.

Skepticism Regarding Commissions

To some vendors, real estate commissions are outrageous and pose as

obstacles to listing. They believe that agents make too much money for the amount of work they do. Those who are willing to list at lower commission rates are more likely to be successful at getting listings from commission-conscious vendors.

The following informant, attempting to sell privately, eventually listed with an agent who was willing (and able in terms of his company) to drop the commission from the usual asking rate of six percent, to five percent:

> [Vendors] {Husband:} What was it your cousin from England told us, wasn't it 2 percent they get? {Wife:} Yeah, 2 percent they get. {Husband:} And we knew that. And when you see 6 percent, here, excuse me. Especially when you know there are agents that all they do is list and then you never see them again. Like, why do they deserve 3 percent? As far as I'm concerned, they deserve maybe a hundred dollars for listing it, and that should be it.
>
> {Wife:} My mom was a real estate agent for awhile, and the guy she worked with, all he ever did was list a house. He never showed a house, he never sold a house, and he made a fortune. And all he did was list. {Husband:} He waited for people to come in. {Wife:} Just a small independent company. My mother, she took her real estate licence. She sold one house. That was the house that we lived in. And then she didn't do it anymore. I don't know why. [I-43]

When a real estate agent called a private seller and suggested that he list her condominium townhouse at 8 or 9 percent commission, she was left wondering about his motives, and his competence as well. She surmised that since agents stood to make smaller commissions on low-priced properties, then maybe only poor agents would be interested in listing them. While there may be some justification for higher commissions on low-priced homes, given that commission-conscious agents will certainly show those properties before ones with lower commissions, few vendors would be

interested in paying them unless the asking price was higher than its current market value. For lower-priced homes, such a suggestion is a good way for an agent to close the door on a potential listing:

> [Private Vendor] We've just had real estate agents banging on our door, left, right and centre, because everybody's trying to get listings. If they're in the area, or the complex, and they see the sign, or since we've put it in the paper. We had one family that sells real estate phone up and wanted 8 or 9 percent. When we said that that's a little high, they said, "Well you must be unmotivated to sell your home." It's those sorts of things. I'm sure there's good real estate agents out there, but you have to remember this is the low end. This is like a starter home. So the return that they would be getting for their efforts is a lot lower than if they're looking at listing a hundred and sixty to two hundred or a three hundred thousand dollar home. I don't know if it's the calibre of real estate people that you would have looking at the low end. I don't know. Maybe it's the people that are really successful probably wouldn't even be looking at this. It's just what I'm guessing. I'm not sure. I don't understand the industry enough. [I-35]

While agents usually get away with charging naive vendors unusually high commissions, this could be viewed as a violation of the agency contract in that the agent may be seen as not acting with the vendor's best interests in mind. According to the Real Estate and Business Brokers Act, real estate agents are supposed to act in "good faith" and that means placing their principle's interests first, and second only to the law. Where an agent charges an exceptionally high commission for his or her own gain, without the vendor's best interests in mind, and the vendor complains, it could be viewed as illegal. On the other hand, it could be viewed as entirely ethical if the agent were offering half of the commission to the selling broker, or, better still, not

taking a disproportunately high amount for him or herself. Agents depend on commissions for their earnings, and the offer of higher commissions may result in other agents being more willing to show these properties.

Our findings that vendors are skeptical of agents asking for high commissions supports and extends Prus' (1989a) finding that "price objections" are obstacles to sales in the retail marketplace. Just as shoppers make assessments as to the worth of products, home owners assess agents in regards to the value of their services. Prus (1991) also found that shoppers tended to be less trusting of salespeople who were paid on a commission basis.

Skepticism Regarding Asking Price

Most vendors believe their homes are worth more than what the agent anticipates it will sell for according to a comparative market analysis. This often upsets vendors who sometimes have reservations for listing with agents who do not feel they can get them their price. In fact, vendors sometimes distrust agents who insist on listing at a price which the vendor considers low, suspecting that agents simply want a quick sale, without consideration for the vendor's expected profits. This is reflected in the experiences of the following vendors. Comfortable with the agent who sold several homes for their family, they had reservations about her motives when she tried to get them to list at a lower price than they wanted. They insisted on listing at their asking price, however, and the house sold quickly:

> [Vendors] {Husband:} When she said, "I think we should ask this price." I said, "Well, we're not. I won't even accept that price. We're gonna ask this price, and if it doesn't sell, then we'll stay here." But as far as distrust goes, no. We were a little bit disappointed because she is a friend of the family, but, from her aspect she's thinking, "Okay, they want to sell their house and buy another one. I'm gonna do it for them." Well that's what we want to do but we're not gonna lose all kinds of money doing it. Any real estate agent will do that, as far as I'm concerned. Everybody wants to make their money, and this is peak real estate season. So they want to move the houses. [I-69]

While somewhat unusual, the following vendor had reservations for listing with his agent when the agent suggested he could get more for the property than the vendor anticipated. His distrust of agents made him reluctant to accept the agent's opinion. Given that he had lost his job and his wife had to travel some distance (to another city) to work each day, he wanted to move as soon as possible. It seems the vendor was concerned that the agent might be trying to earn more commission by marketing the home at a higher price, and possibly jeopardizing a quick sale. He did list with the agent, and even though the agent got an additional five thousand dollars for him, and it did sell within a week, he still indicated that he was dissatisfied with the agent (months after the deal was reached):

> [Vendor] Well actually the asking price was five thousand more than what I wanted it to be. Because I told the agent what I thought I should get out of the house and he said, "Well no, you should ask more than that." And I said, "Well look, I'd be happy to get I think seventy-five ($75,000)," is what I told him. And he said, "Oh no, you can get more than that for it." So, I wasn't real happy about it but we listed it at, I can't remember, but we sold it for eighty ($80,000). [I-70]

NEUTRALIZING RESERVATIONS

Once the initial contact has been made, then the job of neutralizing any reservations buyers or sellers may have for working with a particular agent begins. As the previous section indicates, both buyers and sellers may have reservations about working with a particular agent. Given that vendors must enter into a contract with the listing agent, and virtually put the sale of their home in the hands of the agent, there may be a need for agents to put vendors at ease in this regard. Buyers may also be looking for some special quality in an agent before making the commitment to work with one.

The strategies that agents use to gain the trust of prospective vendors and neutralize their reservations include the following: (1) making conversation, (2) personalizing encounters, (3) signifying prospect importance, (4) demonstrating competence, (5) making concessions, (6) providing justifications, (7) indicating external consensus, and (8) promoting recommendations. Several of these concepts (the first three plus the fifth and seventh) stemmed from Prus' (1989a; 1989b) marketing research. Lyman and Scott (1970) discovered the role which justifications play as a neutralization technique, while notions of competence arose from the works of Hayes-Bautista (1976) and Haas and Shaffir (1977) in medical contexts, and from Regehr's (1982) study of automobile mechanics and their customers.

Another place where neutralizing reservations may be of significance is in regards to "establishing list price." A

separate section is devoted to it. Vendors may find the agent acceptable in most other ways, but vendors may, and often do, have a very different idea from that of the agent as to what price their homes should be listed at. Even though the asking price can be changed at any time, and it is often adjusted at various points during the listing period, coming to an agreement as to the listing price may be pertinent to the decision to enter into a listing contract. This study has shown that determining the asking (list) price may involve (1) giving in (to the vendor's perspective) and (2) providing rationalizations.

Making Conversation

The ability to make "casual conversation" with prospects seems to be an important step in opening the door to the building of relationships. Casual conversation, as Prus (1989b) discovered, is less obtrusive than "May/Can I help you?" approaches, and some retail salespeople see it as an important variation of opening lines.

It is especially important in the real estate setting where agents want to avoid immediate rejection from serious prospects who are sore at a previous agent and may transfer that resentment to them. If vendors are still interested in selling, some agent will likely succeed in getting them to list. Agents generally want to open up conversation in order to uncover the vendor's perspectives, hear their complaints, discredit the previous agent, offer an alternative strategy, and/or tell the vendor what he or she would

like to hear. Some real estate agents also find the more casual approach helpful in sustaining conversations.

One real estate agent prefers the casual approach to visitors at her open houses. This approach, she finds, helps to get a conversation started providing the chance to build some rapport. Her goal, essentially, is to get people to like her. If they like her, then they may be more willing to agree to further contact and the opportunity for her to do business with them:

> [Agent] My approach is very casual. My name's ____. Don't ask me any hard questions. If they're easy I can help you. Walk through (tour the home). Don't ask them for their name. If I think that they're approachable, then I'll get their name. There's many a people come in my open house, I wouldn't have a clue who they are. And sometimes you don't know whether or not they are serious about buying. But I had an open house on Sunday and this couple came in. And it was an expensive home. And, they were very closed mouth. And once I got talking a wee bit, and it was a wee bit, they were serious. [I-62A]

One strategy that few agents consider when holding open houses, which may help to get a conversation initiated, is not having a facts sheet readily available for visitors. As the following agent notes, once people have a facts sheet, they can simply turn to it to get the details. There is less reason to talk to the agent. By withholding written information, visitors who are attracted to the home may be more or less forced into talking to the agent, making it possible for the two parties to better get acquainted:

> [Agent] I have every bit of information available if they ask, although I don't automatically hand out a facts sheet, or try not to unless someone immediately asks for one. Because if they got a facts sheet in front of them, they read all the information they want to know about the house. They don't need to talk to me. If I kind of had

> my facts sheets there but not so visible, then they may talk to me, and when they talk to me I feel that's more important than just picking up a piece of paper. [I-61A]

Making casual conversation may be especially important for openers when agents are confronted with prospects who have somehow been alientated by their experiences with a previous agent. Vendors, for example, whose listings have expired, are frequently unhappy that their home never sold, and often blame the agent. An important consideration when contacting these vendors is that many of them still want to sell. Persuading them to trust someone else, however, is easier said than done. When you add to that the onslaught of phone calls they usually receive when agents discover that the listing may be up for grabs, it is not uncommon for them to lack diplomacy in their dealings with agents.

An important strategy in helping disappointed vendors to overcome their reservations for listing with an agent, is for agents to get vendors to like them. When agents call vendors whose listings have expired, asking them if they are interested in listing as soon as they answer the phone, often results in a negative response. Simply finding a way to keep prospects talking makes it possible for agents to begin the process of developing a relationship. It also facilitates the discovery process as people, when allowed to talk, will usually air their problems, especially in reference to the previous agent, giving the agent the opportunity to suggest how he or she would do things differently. Especially when there is so much at stake, not only in selling the house but in committing to a contract with another agent, a more

sustained conversation makes it possible for people to get to know each other, providing a more gradual entry into the contractual aspects of the relationship:

> [Agent] With expired's, I've tried the presentation. To me, they're too artificial. I suppose if I got to a comfort zone, they wouldn't be. But I find with expired's, just let them talk, let them talk. I think last year they were one of my highest incomes, that along with my data base. [I-30A]

My experiences with calling vendors whose listing expired reflects the above agent's experiences. One vendor I called related a number of complaints about her previous agent to me over the phone. I listened carefully and was able to gradually move the conversation to more personal issues (health and family matter). That doesn't mean that I did not open the conversation with the question of whether or not she was interested in still selling, but I was able to avoid a firm rejection and maintain a conversation which provided me with valuable insight into her reservations for relisting. My counselling background helped me in that regard. Not only did I engage her in an extended conversation over the phone, but I must have spent three or four hours at her home in order to gain her trust and secure the listing.

Personalizing Encounters

Getting prospective vendors to like them is one way in which agents gain their trust. This usually happens when they establish good rapport with them. Prus (1989a) identifies "personalizing encounters" as one way in which retail vendors try to get shoppers to trust them. In discussing this concept, he looks at the

processes by which vendors try to "fit in" with their customers. "Fitting in" involves finding some commonly shared perspectives as well as an appreciation for prospects' interests in order to put them at ease and foster a trusting relationship. It often includes engaging them in casual conversation aimed at making them feel important. Lauer and Lauer (1994) also found "similarity" to be a common element in the formation of intimate relationships.

While going through the house on a prelisting inspection, one agent indicates how he looks for clues as to the occupants' interests in order to find some common grounds upon which to base the relationship. People who share some common interest tend to identify with each other and the formal or business aspect of the relationship can be broken down to a more casual, friendly level. In addition, people who share similar viewpoints, tend to like each other:

> [Agent] You're selling yourself. I've preferred actually listing homes to selling homes because then you have the agents showing your property and they're coming to you. You don't have to go to them. You're not chauffeuring buyers all over the market. You're just waiting for them to come and bring you an offer. So all you have to do is market the house. So I do a lot of open houses. Again, you're finding a common ground with what the person does. You usually try to find out a little bit about them, where they work, what they like to do. As you're looking through the house you'll try to look at trophies that they have, pictures, paintings, books, whatever you can find. "Oh yeah, I've read that," whatever it is that you have in common with the fellow or the woman. You basically just get them to like you. That's what I've done, anyways. You just have to get them to trust you and what you're going to do. [I-22A]

In essence, trusting agents may have little to do with their ability and willingness to fulfill their role responsibilities.

The above informant suggests that trust is achieved by simply getting people to like him. Trust, therefore, may be based on a general impression as opposed to more specific criteria or personal qualities.

Recognizing that third parties, family members or friends, may play significant roles in determining whether a relationship gets started, some agents make an effort to get them "onside" as soon as possible. When going for a listing presentation, for example, one agent spends time with the children, if present, to get them to like her. She recognizes this as an important step so that the parents would be more willing to list with her:

> [Agent] I talk to the little kids, which is something you should never do, according to some motivational speakers. They say, "Well you don't have to make friends with the kids. They're not selling the house." But, I think as long as you make friends with everybody, at least you've got one stike going, right? You get one star. I always think you have to build up rapport. I don't sit down and go right to business, if I don't have to. Some people expect you to, and you get that feeling that they want business, and that's it. But I'd just as soon sit around and chat for a few minutes, and "Where you gonna go and what's your thoughts and how long have you been here?" And get their likes and dislikes, walk through their house. While you're walking through you can talk about the kids and the dog. You know, get a little rapport and then get down to business. [I-62A]

Signifying Prospect Importance

"Signifying prospect importance" was identified by Prus (1989a) as one way in which retail vendors attempt to generate trust with their customers. It is associated with the retail vendor's attempts to let the customer know their business is important to them. Being more considerate, attentive, telling shoppers how much

their business is appreciated, and/or spending more time with them, is intended to make them feel important.

In the real estate marketplace, conveying the message that people are important, particularly when they drop by an open house, may help the agent gain a new customer. The agent usually has only a few minutes to make a pitch for a new prospect. Given that, at least, some people who attend open houses are serious prospects not working with an agent, these brief encounters are excellent chances for an agent to acquire new business. Among the few things an agent can do, as the following examples suggest, is to find out who they are, to qualify them, and to offer to help them. If agents do nothing, which many of them do, nothing will happen:

> [Agent] Then before they go, I make sure I get their name and number, a little bit of info on what I had gathered from them, and we exchange my card with their information. I'll follow up. "May I call you tomorrow, or the next day?" "Oh well, not yet, we're just looking." "May I call you in a little while, or maybe next week, then?" "Fine." Sometimes it works, sometimes it doesn't. But if you just leave it at that and don't follow up with people, you're forgotten. They're on to the agent open house, the next agent. The next time around, somebody will get them, cause you know they are potential buyers. [I-25A]

> [Agent] If they seem approachable, I'll get their name and I'll say, "Well if this is the type of house you like, maybe if another one comes up I'll shoot it in your mail, or I'll put it in your mail box. If you like it, call me. I won't bug you. I haven't got time to bug you. But if you want to see something, then holler. I'd be happy to show you." And some I lose, and some I don't. But the one's I lose, they weren't interested in me either. So, there's no point in dogging it. [I-62A]

Demonstrating Competence

An important strategy in neutralizing vendor's reservations for

listing with them, and in buyer's reservations for working with them, is for real estate agents to demonstrate that they are "competent." Haas and Shaffir's (1977) study regarding the professionalization of medical students indicates, that to be a good student-physician, is either to be, or to appear to be, competent. Impression management for medical students, to some extent, involves mastering the art of deception. For Hayes-Bautista (1976), being viewed as competent is related to the medical practitioner's recommended course of treatment working. A successful outcome is also important to Regehr's (1982) automobile mechanics being viewed as competent. Mechanics perceive clients as viewing them competently when the vehicle they repair works properly and customers do not have to return with complaints. In order to do so, mechanics replace more parts than necessary, running up the customer's bill.

Real estate agents, who can demonstrate that they are successful at selling homes, are more likely to be trusted, at least, at the outset. One way in which they may do so is by presenting an image of themselves as successful through providing "evidence of past sales." In addition, they almost always arrive at the listing presentation "prepared" with a comparative market analysis and a marketing plan. They make sure they have the answers to anticipated questions. The quote which follows illustrates some of the tactics that many high producing agents use to get vendors to view them as competent and list with them:

> [Agent] When I go out on a listing presentation, what I do is I have a listing presentation book that's quite

detailed, and also I've done a comparative market analysis for them before I even get to the door. So then I sit down and I go through, it's a regular format. I have them take me through their house and I let them talk. And as they're talking, I'm making notes. And then we go back to the kitchen table then I show them a comparative market analysis. And then I don't even discuss price. I just leave it, because now I've shown you my facts, let that sink in. Basically I show them a track record which shows them how many homes I sold last year and how many homes I listed last year. And then when I show them how detailed that my assistant and I work, it's like, "Why wouldn't you sign? Show me somebody else that gives you that kind of service!" I expect to get that listing. Definitely. I'm not wasting my time. Time's valuable. And I would say a lot of times I do.

A perfect example was I got a listing on Thursday. It was previously listed with another broker at five percent for three months. By the time I left her house, I got it relisted, with price reduction, six months, and a six percent commission. But again, too, it's a business. Once they see what you have to present them, I think, yeah, you're being well taken care of. [I-30A]

A second high producer also emphasizes the importance of "being prepared" when she goes for a listing presentation. If the property is more attractive than she anticipated it to be, she suggests a higher price than her evaluation indicates. If it is in worse shape than she expected, then she will suggest a lower listing price:

[Agent] They phone me usually. If you phone me to come and list your house, I'll dig it out of the computer, what your taxes are, your lot size and everything. I'll dig it out what you paid for it if I didn't sell you it. If I can find the room sizes in the old listings, I will. I'll drive by it. I don't know you. You've just phoned me cold. So I've driven by it. I've driven around the block. I've come back. I've checked what the house down the street sold for. So I'll have my ammunition. And I'll know pretty well what I want to list it for when I go in.

If I go in and it's a dog's breakfast, now we're gonna lower our sights. I'll say, "Well I thought it was going to be a hundred thousand, but, no, you need new carpets and you need this and this, so I think we can't

> go more than ninety. Here's my homework. I thought we could go a hundred, but we can't." And if I thought a hundred and it's dynamite, I'll say, "You're gonna be happy. I can get more, I think, than I thought I could." [I-62A]

While competence for Hayes-Bautista's (1976) doctors and Regehr's (1982) mechanics is evaluated after-the-fact on how well they performed, or for Haas and Shaffir's (1977) medical students on how well they appeared to perform, our study suggests that competence is something which vendors try to evaluate prior to involvement. Showing prospects their record of sales to listings, their plan of action, and their knowledgeability, are ways in which agents may make it possible for prospects to assess their competence. Where the impression they make is positive, they have an excellent opportunity to secure new clients or customers.

It could very well be that the fields of medicine and mechanics are too complicated for the average individual to comprehend, so trying to assess whether doctors or mechanics are competent, before hand, may be difficult. Doctors and mechanics operate pretty much behind a veil of partial secrecy. Patients are often kept in the dark about the specifics of their illnesses and the medical profession maintains a high degree of confidentiality when it comes to patient records. In most cases, patients probably do not have the capacity to fully understand the nature of illnesses and the intricacies of treatments, given the complexity of medicine and the years required for a doctor to learn about them. Mechanics usually keep customers away from work areas for their own safety or to satisfy insurance regulations. So customers

are told about, rather than seeing for themselves, what mechanics actually do to fix their vehicles. Once again, most customers would be limited in their understanding about car repairs. Given that mechanics usually replace more parts than necessary, the customer nearly always gets taken. However, mechanics get around this by providing higher estimates and lower bills, which fools the deceived customers into thinking the mechanic acted in their best interests.

Compared to doctors and mechanics, the activities of real estate agents seem relatively more visible and open to scrutiny. Prospects see the agent's advertisements, learn about his or her history, know when open houses are being held, and can take the opportunity to see an agent in action at an open house if they so choose. So assessing the agent's competence, prior to making a commitment to work with the agent, is much easier and more commonplace.

On the other hand, when agents present their records of past sales, they usually take credit for sales of their listings by other agents. Should this be questioned, they usually emphasize the importance of good marketing techniques. In the vast majority of cases, it is the Multiple Listing Services (MLS) that leads to a sale. And when it comes to listing MLS, any agent in any company belonging to the local real estate board, can, and usually does, list it MLS. It seems it's mainly a matter of creating an image of being more competent than one's competitors.

Like Haas and Shaffir's (1977) medical students, demonstrating

competence seems to be related to "displaying confidence." Vendors may be more willing to list with agents who appear optimistic, and instill a sense of confidence in vendors that they will be able to get the job done. This may be especially important for vendors who see themselves in a "must sell" situation, even though the agent can never be sure a home will sell. In fact, the following vendor sought the services of another agent when the agent with whom she had been dealing expressed doubts about her ability to sell the home (at a price acceptable to the vendor):

> [Vendor] Well I'm listed with the lady (husband and wife team). She's got a very positive attitude. Now I don't know if it'll be productive, but her attitude is very positive. I've never met her husband. They are a husband and wife team and I've just dealt with the wife. She has a very positive attitude, she has a very up attitude. She's confident that she'll be able to sell the house, and this type of thing. And when you're in the selling market, you want someone who thinks that they will be able to sell. [I-66V]

Still trying to sell privately, the following vendors have an agent in mind should the venture fail. They seem attracted to him, in part, because of his "confident demeanor." They don't particularly like him, but he is the top producer in their city and they want someone who feels sure he can sell their home:

> [Private Vendor] Basically I'd say the real estate agent you would look for somebody who was cocky as all hell. That's about the only way I can put it. You know, somebody who's confident in themselves, you know, is willing to turn around and push himself, say, okay, I've done this and I've done that. You want somebody who's going to be aggressive because you want your place to sell. You don't want it sitting. So you're gonna have the tendency to go with somebody who shows that confidence.
>
> We had an agent in to assess our house. My husband does know him. He's known him in a different capacity, but, as my husband says, "He's the top seller in the

> city." He doesn't particularly like him, but he's the top seller. I've had no real contact with him except for the one time he was here. He seemed to know exactly what he was doing. He was extremely confident in himself. Like I said, he was cocky, but he had all the facts. [I-73]

It seems that "displaying confidence" reflects Haas and Shaffir's (1977) student-physicians presentation of self as competent. In fact, vendors may reject agents who are honest with them, and embrace those who may be willing to tell them what they want to hear, taking into consideration market conditions and the price they expect to get. It also seems that vendors have the impression that agents are able and willing to somehow direct buyers to their listings, which is seldom the case. Those who do so frequently lose their prospective buyers. Nevertheless, vendors are more apt to list with agents who give them the illusion that they will somehow manipulate prospects into buying their homes.

Making Concessions

There are few concessions a real estate agent can typically offer to a vendor. The most common concession is a reduction in commission. A second concession, albeit less common, is to grant vendors the privilege of selling privately to a buyer they find on their own. A third concession, which is certainly much rarer, is to offer vendors the option of cancelling the listing if they are displeased with the agent's services.

"Making concessions" was identified by Prus (1989a) as a strategy by which salespeople neutralize shopper reservations for buying. One way in which they do so is to propose price cuts (or

increase quantity, upgrade quality, provide extra services, warranties, throw-ins, etc.) to shoppers. This tactic, he notes, can be initiated by either the salesperson or the customer. In most instances, it involves the willingness of retail vendors to negotiate price or sweeten the deal with extras. Larger organizations, he further notes, are less likely to be open to individualized price negotiations. Bargaining, according to Prus (1989a), is more apt to be successful in reference to larger orders, damaged goods, and slower moving stock, which suggests that granting concessions is in the best interests of retail vendors.

When vendors express their reservations for paying real estate commissions, which many of them do, one way an agent might secure the listing is to reduce the commission. Where agents refuse to negotiate commissions, vendors may view this as an indication that they are only interested in maximizing their profits rather than charging something that is equitable, given the amount of work anticipated. While not all vendors are concerned about commissions, at least whether it is five rather than six percent, the willingness of an agent to give the vendor a break in commission may determine, for others, whether or not the agent gets the listing.

The difference between five or six percent might not amount to much on a lower-priced home, but it is of greater significance as house prices increase. On the other hand, there is generally not much difference in the amount of work involved in marketing a $90,000 home compared to one that lists for $300,000, although the

higher priced home usually takes longer to sell. While the higher priced home generally requires a longer period of monitoring, agents usually spend more time working listings in the lower price range since that is where the greatest amount of buying and selling activity takes place.

The following vendors agreed to list with an agent, in part, because he was willing to give them a "reduction in listing commission" (from six to five percent). They had first tried to sell their home privately, with the agent's guidance and assistance, but without success. Given that they had previously encountered other agents who were firm on charging the six percent listing commission, they viewed listing at five percent to be far more acceptable:

> [Vendors] {Husband:} The other thing, the larger ones wouldn't dicker on the commission, either. It was 6 percent or nothing. {Wife:} We didn't like that. Now his company would only come down so far, but they were willing to come down, which was important to us. Because, I think, quite frankly, you make too much money as a real estate agent for what you do. You take your client around, like our agent really worked for his money. That's one thing. But for them to come in and sign a little piece of paper, and two days later your house is sold, you got too much money for that. It really depends on how hard they work the property. And I know that can vary, but at the same time, you know, I really think that a few thousand dollars for the amount of work that is sometimes done in a real estate transaction, is ridiculous. And it really is. [I-43]

Another agent made a proposal to a private seller that he list her home at four percent, at the same time making it possible for her to "sell it privately" to anyone she finds on her own without paying commission. Being skeptical of agents, she asked for a few days to consider the proposal and came to the conclusion that it

was a good deal. She and her husband were prepared to list with him, but they never heard from him again. This reinforced the kinds of doubts they already had concerning agents:

> [Private Vendors] We've probably had 10 or 12 agents, already, contact us. Basically, it's, "Do you want to list with us?" No one has really put together a good proposal. One fellow did. He came and he knocked on our door and he said, "You know, I understand why you want to sell privately," but maybe he could work a deal out with us where if we found a private buyer that wasn't referred by him, that we could still go ahead and sell it on our own. And that person would be willing to work at 4 percent, which was a little more favorable as far as we we're concerned, and if they sell it, then we give them their commission. And that seemed favorable and he said he'd get back to us and he never got back to us. So this was a person that actively solicited and we said, "We wanted a few days to think about it," and then he never did get back to us. Now you find the question, "How motivated is that individual?" Or, maybe he jumped the gun and maybe his office wouldn't be inclined to go for that sort of a deal, I don't know.
>
> Probably if he gets back to us, we'd want an explanation. Like we probably wouldn't list with him. We were ready to list with him because it gave us the best of both worlds. But, he didn't come back to us. [I-35P]

It is not uncommon for builders to demand these types of concessions. Most will get a reduction in commissions and some will also reserve the right to sell privately to someone who approaches them directly. It is risky for an agent to agree to these concessions, but builders can supply the agent with several listings and new homes are very saleable. Offering to let the owner of a resale property sell it privately while listed, however, is not a common practice. On the other hand, it is not an uncommon request on the part of vendors who have been trying to sell privately. They sometimes fear that a prospect, who previously viewed the home, will decide to buy it as soon as it is listed, and

then they will have to pay the agent his or her commission. So agents may agree to some sort of compromise in order to get the listing.

Recognizing that some vendors may insist on a reduction in commission from the going rate, some agents develop proposals for doing so which work more to their overall advantage than reducing the commission at the outset. Instead, they offer to reduce the commission when the deal closes, providing they represent either the purchaser of the home, or the vendor in their purchase of another property. This also helps to keep vendors loyal in their role as buyers, and to promote referrals of interested parties to the agent, who come directly to the vendor's attention:

> [Agent] I've done a couple where they've gone through me, and that's another place where, if I ended up with someone buying through me, and it's one of my listings where I have usually said to someone I've listed with, "If I sell it myself, I will do it for a little less commission," because I'm getting both ends of it. So I'm upfront with them there, and they like that, and they're hoping that I can be the one that brings the customer in. And I have done it. I do say that to all my people. If I am the one who actually sells it, also, then I will make it lower because I'm getting both ends and I'll give you a break. And most people are happy with that. About a percent. Instead of being six, go to five. And, therefore, instead of me getting three, I'm getting five. So it's a really good deal for me, and saving one percent on a hundred thousand dollars, a thousand dollars to somebody is pretty impressive to them. [I-61A]

Noting that many high producing agents do not provide the best services to the individual vendor, one agent assures his vendors that they can "withdraw the listing" at any point in time if they are not satisfied with his services. He is responding to the reservations vendors express to him regarding listing for an

extended period. By extending such a concession to them, he indicates that he will be accountable to them. This reportedly puts vendors at ease and increases their willingness to list with him as they assume they can get out of the contract if they are not satisfied with his efforts:

> [Agent] I'd like people to see me as trustworthy and competent. Unfortunately, I think too many people in the public don't look for that, even though they want to. They look for somebody who is quote, "successful." They judge successful by how much money they make, how much real estate they sell. When in today's market, I think the truth of the matter is that the people making the biggest money aren't necessarily the most competent or the most trustworthy.
>
> One of the things I always tell every person I list a house with, and this is always something that's on other people's minds in establishing trust. They always ask price, commission, and, "Well how long do I have to list for?" I always ask for four month listings. But I do stress to them, to establish trust, if for nothing else, is, "Anytime you want out, you can. Just phone me and say, "I don't want to list it anymore." Because I don't want to deal with somebody who doesn't want to deal with me.
>
> Basically, that's how I tell it to them. And I think that helps to establish trust. Because I say, listen, if you're not happy with me at any time, I don't want to make you do business with me. But I've never had anyone who's unhappy with me. I've never had anybody phone up and say, "Hey, I want out of the listing." [I-24A]

While the salesman may have good intentions, he may also be deceiving the vendor in order to get the listing. His powers to cancel the contract are limited. First of all, the listing belongs to the broker and not the salesman, as the broker is legally the agent. Second, if listed MLS, the real estate board of directors must approve the cancellation. Third, the vendor could still be liable to the agent for the payment of commission if he or she sold the property, privately, to someone introduced to the property by

an agent during the listing period, during the time specified in the holdover clause. It is risky for the agent not to consider protecting all the other subagents who could turn around and sue for commission. In addition, the vendor would not be able to list with another broker until the originally agreed upon expiry date had been reached. This is done to prevent sly vendors from using agents to bring them into contact with potential buyers and then cutting the agent out of the picture.

The above findings bolster those of Prus (1989a) in respect to making concessions. The first illustration suggests that agents in large companies do not have much, if any, flexibility to negotiate commissions. I might add that there is less flexibility in large companies where the agent is working primarily on a commission split basis. Agents who work as independent contractors, paying substantial desk fees to their broker and keeping nearly all of their commission, have the autonomy to set their own commissions. Most larger companies will allow a reduction to five percent, although some require the manager's permission, otherwise it comes directly out of the listing salesperson's pocket. This idea that prices or commissions are more firm also reflects those of the retail setting more generally, where larger companies tend to have set prices (Prus, 1989b). In a similar vein, Gilderbloom (1985) discovered that, when it comes to setting rents, professional landlords are less flexible than amateurs.

The second example also reinforces the idea that salespeople are restricted from reducing commissions below company guidelines.

It also suggests that the agent was unable to follow through with his proposal to allow the vendors to sell privately as this would pose legal obligations on behalf of the listing broker, particularly if a salesperson from another brokerage firm (subagent) claimed that he or she introduced the purchasers to the vendor. Third, the company would likely not want to set a precedent for other agents to cut commissions which ultimately would cut into the company's projected profits.

When we examine the agent's proposal in the third example where the agent is offering to reduce the commission on a contingency basis, the agent is acting in his own best interests by, first, making sure he gets the listing. Most agents in his city do exactly that, so he likely has the competition in mind. Second, he wants to make sure he represents them when they buy another home, rather than risk losing them to some other agent. In order to do so, he reduces the listing commission by one percent, but collects a marginally larger commission on the home they buy. Should the vendors buy a home, privately, or through some other agent, then he would not reduce the commission.

In the final example, the salesperson is making a conditional promise that he may not be able to fulfill. Even if he could fulfill it, the vendor would be unable to relist with another company until the original expiry date was reached.

Providing Justification

When making a pitch for a listing, agents may find themselves

having to justify the commission. One agent justifies the six percent by summarizing the expenses which are involved in marketing a listing. Particularly with lower priced listings, by the time the broker gets his share, the amount of profit that goes to the agent may not be very much:

> [Agent] Many people who are shopping around are shopping around for a price. They were looking for whether there are set commissions or not within your office. They're asking most of the time, people who are shopping this way are asking, "Would you consider less commission to sell my house?" I don't bargain commission. I use the set rate which is six percent and say, "That's what our office charges and that's how much I will be charging." "Can you bargain that rate a little bit?" Well you could but I do that afterwards, not before. I'm not gonna take a listing because I've said I'm gonna do it cheaper, because it costs a lot of money advertising. It costs you money to work it, and there isn't that big a mark up in the commission that by the time you've paid your advertising, your broker, etc., his percentage, there isn't a whole lot left. So I do not bargain commission. At the onset, if it was necessary, the end to close the deal to give a half percent or something, to make the deal work, maybe between the other agent and I, then we'll do it, but it will be a set rate, up front. [I-61A]

As the above quote suggests, providing justification does not always result in neutralizing people's reservations regarding the paying of commission. On the other hand, agents who are not willing to negotiate commission, do not always succeed in getting the listing. In the case of the above agent, this may help explain his low productivity. Agents who seem to be inflexible, and who do not take into account what competing agents may be offering, may be walking away from listings that would otherwise be theirs.

Neutralizing reservations for listing with vendors, especially those attempting to sell privately, is no easy task. Most are trying to sell privately in order to avoid paying real estate

commissions. Private vendors, therefore, are under no obligation to pay an agent, but agents may be pressured into showing the property by their prospects. There is nothing stopping prospects from going directly to the private vendor, and that possibility always looms largely in agents' minds as their prospects make reference to the private for sale signs they pass on the way to view listed homes. Not wanting to lose them, agents usually try to convince private vendors to agree to a commission, as well as signing a 24 hour listing, prior to showing it. However, private vendors may not trust the agent sufficiently to sign the listing. One agent gets around these problems by "providing justification" for charging commission, and showing the vendors that she trusts them, by showing their property without a signed listing:

> [Agent] I've been known to do them at three and a half percent, exclusive. But on the other hand if it were listed on the multiple service, I could be getting two and a half. So I'm still gaining. I tell them what my usual listing commission is, which is six. An exclusive I take it at five, then we negotiate from there. And they have a little bird and say, "I'm not going to pay five! You've obviously got a customer and you can sell my house and make all this money for doing nothing." Then I go into the usual explanation of how many houses I've shown these people and the time I've spent and the effort. And they say, "Well that's not our problem." I say, "Well yes it is, because if I hadn't have spent all this time, they wouldn't be coming to you now." And people are generally very easy to get along with. [I-26A]

The way the agent typically handles resistant vendors reflects Scott and Lyman's (1968) depiction of justifications. Scott and Lyman (1968) associate "justifications" with techniques of neutralization. Justifications neutralize an act or its consequences when one or both are called into question. When one

justifies an act, one emphasizes its positive value despite claims to the contrary. While it might be recognized that the act in question is, in a general sense, impermissible, the circumstances in a particular instance allow it to be justified.

In this particular case, the agent is telling the vendor that, although she has not been trying to sell their particular property, she has shown her purchasers a number of homes. Not finding anything suitable, she has now resorted to showing the purchasers their home, which she would not ordinarily have done had she found them something else. And given that she has spent considerable time working with the purchasers, she is now trying to sell the private vendor's home, which would not have happened had she been able to find a suitable listed property. She, therefore, deserves to get paid. Justifications, it seems, can be invoked in a variety of social circumstances, to turn what seems to be a negative act or consequence into a positive one. She also has her back to the wall, so to speak, in that the purchasers want to see this home, and if they do so without her, she will not stand a chance at getting paid. In addition, she is trying to manipulate the vendors into paying her the same amount of commission she would make if she sold a listed property. Some agents would settle for 2.5 or 3 percent (the selling broker share) for that is all the commission they would normally receive.

Indicating External Consensus

One of the best ways agents can give the impression to prospects

that they are competent is by "indicating external consensus." Prus (1989a) discovered that indicating external consensus, including testimonials, was one way in which retail vendors provided evidence of product quality for their customers. While Prus' (1989a) vendors were attempting to back the products they sold, real estate agents emphasize the experiences of others regarding their services. The opinions of third parties, particularly ones known and approved of by the prospects, usually puts prospects at ease with the agent. While providing references is not always possible, like "sponsored involvements" or referrals, it makes relationship building much easier:

> [Agent] The most important thing is trust. I think that is the number one reason that people choose the real estate agent is they feel someone they're comfortable with and can trust. And I guess the other thing you have to convince them is that you're competent. Because there's probably a lot of incompetence around as there is in any job. I think it's a combination of trust and comfort, but mainly trust, that they can trust you. That they'll be comfortable working with you because they are going to be seeing you, talking to you a lot on the phone and that. And also very important that you're competent. And I think the fact that you have experience and a track record can prove that to people. Maybe you have a third party that you have in common that they know that you've dealt with. And that's quite often the case, especially on a referral. When you go there you can talk about, "Well I sold Joan and Harvey's house there last week. They were quite happy." "Oh yeah, that's why they sent you here." [I-22A]

Recognizing the value of satisfied customer's opinions, some companies routinely collect this information. Another high producing agent who works for a large national company, produces the results of surveys which his company hands out to clients and customers in order to evaluate each agent's services. While

anonymous, these "third party testimonials" help the agent to establish trust:

> [Agent] A third party testimonial is always great if you can know somebody they know who can say something nice about you. Our company has this quality assurance program. We aren't supposed to find out who sent them in, but every time we do a transaction they get a survey to judge the company and the agent. And I carry those around that people send in for me. You can tell by their answers to the survey who they are, even though I'm not supposed to know who they are. So I use that. [I-24A]

Obviously the agent only supplies positive testimonials covering his past services, while subverting the negatives ones. Vendors probably understand this, but just the fact that he has performed well, if only just once, seems to reassure most vendors. This bias towards positive testimonials is another manipulative tactic utilized by some agents to secure listings or to gain the trust of prospective buyers when they seem to have reservations about working with them.

Promoting Recommendations

Similar to Miller's (1964) car salesmen and Prus and Sharper's (1991) hustlers paying "bird dog" fees to contacts who promote them, one high producer encourages her previously satisfied clients and customers to refer prospects to her. In return, she gives them a gift. Given that she gets most of her new business through referrals of this nature, it appears that rewarding people for their efforts works in getting them to promote her to their friends and relatives:

> [Agent] I will make sure that person gets a referral, like a dinner out or something. And I try and say that

> to people, but I don't want to rub it, like I don't want to make it, I don't know, like I have a funny feeling like I want them to be surprised if I do it, yet I'm saying "Well I'll do something nice for you." Like I don't want them to feel like they have to go to work for me. I just have a little thing about that. I like to surprise them, if I can. I'll buy them a certificate from the (restaurant), or somewhere nice, if that's the kind of people they are. If not, I'll buy them a gift certificate from (department store), a hundred dollar gift certificate from (department store). I do many of that. Some people they just kind of take it for granted. They'll thank me and that, but they don't get excited. I don't know what you have to do to get people excited sometimes, but they must do it consciously thinking that I'm gonna do something for them, because several people have said, "Hey, I got another one for you." So I'm thinking, "Yeah, they're waiting for their hundred dollars, or whatever I'm gonna send them." I've even had people I sell houses to say, "When am I getting my house gift?" I can't believe it when they say it, but they do, because they know their friend got one. I almost feel like not sending it. But anyway, I do. [I-62A]

While agents do not always go to that extent to get their previously satisfied customers to recommend them to others, they know that satisfied customers are more likely to do so. In addition, some prospects neutralize their own reservations by seeking recommendations from trustworthy third parties. Nevertheless, agents do try to promote referrals or recommendations and the reader can gain further insight into the way agents promote them in chapter five (see "sponsored involvements"). Prus (1991) also discovered that shoppers were more apt to see retail vendors as trustworthy when "referred" to them by trustworthy third parties.

Referrals make the negotiation of trust largely unnecessary. Trust is usually readily assumed if someone trustworthy recommends someone they trust to do the job. In other words, the agent's

principal interpersonal task of establishing trust becomes much easier since the person who has done the recommending has already screened the agent. Unless the agent proves to be incompetent or uninterested, trust will likely never be called into question.

Setting Prices

> [Agent] You don't price property in term of what your competition is. You price in terms of where they've been selling. And what you have to get people to understand, everyone feels that values are dropping everyplace except for my house. I'm the same way to some extent on that too even though I do it daily. When you get a person to understand that you have to price where properties have been selling, first, and if you're not sold in 30 days, you continually have to reduce your price til you sell, then that's where you get a property sold, in this sort of a market. You have to be very exact in terms of where it should be priced, and you have to make that very clear, right from the start. The only thing that's going to stand between them and their move, is their price. And that's what I key in right from the start. And if I spend an hour with a person trying to list their house, fifty-five minutes will be spent on price. [I-32A]

The above quote typifies the kinds of problems agents experience in trying to convince prospective vendors that their home should be listed for less than they would like. Unless the vendor is relatively satisfied with the asking price, the agent is unlikely to get the listing.

Agents nearly always determine their price (range) from conducting a comparative market analysis (CMA). They typically select homes which are similar to the subject property that have sold recently and derive a price from that. Depending on the availability of comparables, the accuracy of the data may sometimes be problematic. This may lead some agents to come up with a "ball-

park figure" or educated guess based on their stock of knowledge.

While vendors usually look to the agent for guidance as to the asking price, and agents typically like to list at what they believe is a good, saleable price, vendors may also have an idea of the kind of price they expect to get for their home. Some vendors tend to take into account various expenses involved in selling, especially real estate commissions or the costs of improvements made since they acquired the home, with the expectation of either making a profit, breaking even, or minimizing their perceived loss. It may also be necessary for them to get a specified amount for their home in order to move up in the marketplace. In some instances, vendors are relatively firm as to their asking price. Some even see agents as trying to undervalue their property in order to make a quick sale, and they tend to be resistant when agents suggest lower prices.

When the vendor insists on an asking price significantly higher than that recommended by the agent, the agent may be faced with the dilemma of whether or not to take the listing. Many high producers claim that they do not take those listings as they consider them to be a waste of their time and resources. Other agents, however, may be more willing to take them with the understanding or expectation that the vendor will eventually recognize the wisdom in lowering their asking price. Changes in the marketplace such as interest rates, sales (or lack of them) in the vendor's neighborhood, the pricing of competing homes, or changes in the vendor's circumstances may also impact on the

vendor's willingness to lower their asking price.[2] In fact, the asking price may be open to negotiation right up to the point of a sale, and concessions by either party (or even the agents) may affect the final price. Nevertheless, there has to be some agreement as to asking price between the agent and the vendor at the outset in order for the listing to be activated and a relationship commenced.

This research has shown that when it comes to listing price, vendors' reservations for listing with particular agents may be neutralized when agents: (1) "give in" (to the vendor's ideal price); or (2) provide rationalizations.

Giving In

While some agents refuse to list properties which they view as significantly overpriced, others take them with the intentions of persuading vendors to lower their asking price, over time, if the home is not attracting showings (or offers). This doesn't always work, of course, as some vendors are firm when it comes to price. Nevertheless, agents sometimes secure listings by "giving in" to the vendor's ideal price:

> [Agent] I think in working your listing in a slow market, you have to have a stronger upper hand with the vendor to get the price down. And I'm too easy with vendors. I'll work the property at that list price, and discuss with

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[2]There are instances when the asking price is raised rather than lowered. Some vendors find that they need more money in order to make a move, and some agents may find that changes in the marketplace justify raising the price. However, this is not what normally happens in the majority of cases. The usual direction is down, down, down when it comes to asking price.

> them that it should be lowered. But not insist on it. I eventually get my way because generally I'll take a six or a nine month listing. But I'm spending money during that time. [I-26A]

As the above agent indicates, she usually persuades vendors to list for long periods, leaving her time to alter their perspectives. The trick here is that the vendor will either become frustrated and lower the asking price, or the agent will interest the vendor in another home, creating pressure (closure) to sell the home. Sometimes it works. Nevertheless, it is a gamble. If the home doesn't sell, the agent may be out hundreds of dollars in advertising costs. On the other hand, if the agent doesn't take the listing, she may be passing on the opportunity to earn thousands.

Providing Rationalizations

Sometimes agents persuade vendors to list at their recommended price. In most cases this involves making a convincing argument. Ross (1980:154) notes that "rationalizations" are tactics intended to legitimize proposals in the eyes of the opponent. Probably the most convincing rationalizations involve the utilization of market data which supports the agent's viewpoint.

The following informants, disappointed that they were facing a financial loss upon the sale of their condominium townhouse, were able to accept the agent's recommendation for a price based, in part, upon their own past experiences. They had been trying to sell it, earlier, at a higher price, but were unsuccessful. The agent's advice therefore made sense. They also experienced a sense

of closure in that they had submitted an offer on a home, conditional upon the sale of their townhouse, and did not want to lose it:

> [Vendors] {Wife:} Essentially we went by his judgement because he showed us what the other condos were going for in our buildings, and he recommended a price range that would sell it fast. Because we knew we had to do that, even though we were anticipating taking a loss. It was something we had to do to get out and into here without being stuck with two places. {Husband:} There were several times when we were considering selling that we were sort of on this roller coaster, should we, shouldn't we? {Wife:} We actually had listed it about a year before and took it off. {Husband:} Yeah, and then took it off, because we got scared. {They listed it with the same agent.} At the time we were thinking, "Darn it all, we're gonna make money out of this, and I don't care." {Wife:} Unrealistic. {Husband:} And we were totally unrealistic. {Wife:} And he let us do that even though he warned us that it wouldn't sell at that price. And we found out that it just wasn't gonna work, so when we tried it again, we just made a decision to just get rid of it, sell it.
>
> The second time, we'd already purchased this house and we knew we had to sell, so I think in that way it made it easier for us. There was no if's, and's, or but's, we had to sell it. {Husband:} I wasn't really nervous, I knew we'd sell it. {Wife:} I didn't want to list as low as we did, but I knew that we had to. We didn't want to be stuck with two places, although we were able to carry it if we had to. It wasn't something that we wanted to do. {Husband:} But we sure as heck wouldn't wanted to have done that. {Researcher: What were you nervous about basically?} {Wife:} Just making sure that we would have enough money to put the downpayment on this place. But it worked out. [I-44]

When agents sense that a vendor is experiencing pressure to sell, this is their opportunity to get them to list at a price they consider saleable. The following vendor was desperate to sell his rental property mainly because he was frustrated by a string of bad tenants. Most recently he had experienced difficulty getting the rent from his previous tenants. Before that, the tenants he had

did more than eleven thousand dollars in damages to his property before leaving. The agent recognized his predicament and was able to convince him that his house did not sell, previously, because it was priced too high (provide rationalizations). In addition, the pressure exerted by his wife probably made it more difficult to refute the agent's figures:

> [Vendor] So he said to me, I had listed it before, I think these other people had told me to list it for seventy-nine, nine ($79,900). The first time when I had listed it last year. And they said, "Any offer over seventy-five ($75,000) or seventy-six, you should seriously consider." And they had brought, in all fairness, four people who went through the house with a fine-tooth comb. This guy went through the house, by himself, a walkabout of about three minutes, and that was it.
>
> And then we came out to my place and we sat here and he suggested sixty-nine, nine ($69,900). And I said to him, "Well Jesus, like are you telling me that it is worth less than it was last year?" And he said, "Well, you didn't sell it last year." I thought, well, maybe he's right. But, in hindsight, I think he has purposely attempted to list it low from the values of various houses, although (city) real estate is depressed. And that's what I said to him, "Okay, but I'm not gonna fire sale the damn thing. Like just don't get the impression that I am, because I'm not."
>
> Now what he doesn't know is I have a wife who thinks that, and it's like the NDP (laughs), they sat in opposition and criticized everything but they couldn't run the government, you see, at least they had many problems. Well, she's sitting back in opposition saying, "This isn't working. Why don't you sell it? Take any offer you get." And I'm saying, "Well you don't do that. Why would I lose money on it?" Like seventy ($70,000) is kind of a break-even figure, although I have put value into it. But then, with the marginal taxation rates, I get a break on that because I run it in with my work related income. So, I'm not really sure what a break-even figure on it for me would be because of the tax return in rebates I've got on my income tax.
>
> {Researcher: Did you have reservations in listing with him at this point?} Let's put it this way, I probably felt so pissed off after having dealt with these people for month after month, where they wouldn't have the money and I'd have to go back the next time and

> they'd give me seventy-five bucks and then they'd give me two hundred and twenty-five, and then I'd go there and I couldn't remember how much they had given me. They were trying to jerk me around on several occasions. I just agreed to what he said. [I-76]

This vendor indicated during the interview that he was contemplating renting it one more time. Someone he thinks he can trust has shown interest in it. Despite his frustrations with tenants, his original plan was to hold onto the home with the expectations that the market would change dramatically and he would be able to sell the home for a profit. It is a good example of what can happen when the vendor's reservations regarding listing price are not totally neutralized. He listed at a price with which he was not comfortable, and it appears that he lost interest in selling. Agents may respond in a similar fashion when vendors are unwilling to take their advice and lower the asking price, especially when the agent believes it is overpriced. They often lose interest in working these listings.

CHAPTER SUMMARY

This chapter has looked at the kinds of "reservations" vendors and purchasers may have about working with particular real estate agents, and the ways in which agents may endeavor to "neutralize their reservations." It was discovered that buyers and sellers were "skeptical of agents," and vendors were skeptical of "commissions" and of "listing price."

When we looked at reservations regarding agents more generally (agent skepticism), we found that buyer and/or seller reservations

about working with agents were related to concerns with the agent's (1) honesty, (2) commitment, and (3) work ethic. Vendors also had reservations about the "high commissions" agents were requesting and their suggested "listing price." While many vendors suspect agents of wanting to list low so as to facilitate a quick sale, even when agents want to list higher than the vendor expects the home would sell for, the vendor may be skeptical of the agent's motives.

While prospects may begin working with agents even though they have some reservations for doing so, building a working relationship is more apt to be linked to overcoming their significant concerns. This research has shown that agents have developed certain strategies aimed at "neutralizing reservations." By analyzing the perspectives and experiences of vendors and purchasers, we gain some insight into the kinds of things which they appreciate and what seems to actually work. The strategies which agents may utilize to neutralize the reservations buyers and/or sellers sometimes hold for working with them include: (1) making conversation; (2) personalizing encounters; (3) signifying prospect importance; (4) demonstrating competence; (5) making concessions; (6) providing justification; (7) indicating external concensus; and (8) promoting recommendations.

We also looked at how listing prices were derived. Given that this study has shown that vendors are sometimes skeptical of agents' pricing, vendor concerns may have to be neutralized in order for the agent to get the listing. It was discovered that

agents often "give in" to vendors and take what they believe are overpriced listings with the expectation that they will eventually succeed in persuading vendors to lower their asking price. Second, agents may get vendors to list at the agent's recommended price by "providing rationalizations" or convincing evidence from market data.

Thus far, we've discussed the kinds of things which make involvement in agent-client/customer relationships possible. Chapter five looked at initial impressions, how contact is made and interest developed. This chapter looked at the kinds of reservations buyers and sellers sometimes have for working with agents, and the ways in which agents may try to neutralize them. The chapter which follows examines some of the contingencies related to continuing involvements.

CHAPTER VII

BUILDING RELATIONSHIPS

Coming together to buy or sell a home is just the beginning of the agent-client/customer relationship. If a successful outcome cannot be achieved, the process is generally fruitless for all parties. For the agent, in particular, who does not get paid unless a sale is completed, maintaining a client's or customer's commitment to the point of a sale is a necessity. The jubilation agents often experience when they get a new listing or begin working with a hot prospect often dissipates as time passes and vendors or purchasers become discouraged. In fact, these relationships are often rife with tension when a successful outcome does not appear imminent. Vendors, for example, may start to question the agent's strategies when interest in their property declines. They sometimes compare the agent's services to those of other agents and/or make reference to what other agents are doing to sell other people's properties. Agents often feel threatened by this and fear the vendor will list with someone else when the listing expires. Buyers, on the other hand, tend to become discouraged even more quickly, and are often prone to changing their minds about buying. In some case they may venture to look at homes on their own or elect to try another agent. For the agent, it is disheartening to have a willing buyer in their grasp, to invest time and money in them, and watch them slip away.

This chapter discusses the fostering of commitment in agent-client/customer relationships. In doing so, we look at the kinds

of services that agents provide, their personal attributes and meaningful interactions which contribute to the willingness of buyers and sellers to continue working with them. The perspectives of all three parties (buyers, sellers, and agents) will be discussed simultaneously, with the focus being on the agent as actor. By examining agent perspectives and activities, insight into their strategies for promoting continuity is attained. When we take into account the experiences of buyers and/or sellers, we gain further insight into what agents are doing to promote continuity, and what buyers and/or sellers appreciate them doing.

FOSTERING COMMITMENT

When prospective buyers work with real estate agents, they are usually not bound together by a contract.[1] Consequently, the agent's performance may be subjected to evaluation on each subsequent contact, as might be the seriousness or motivation of the buyer. Agents typically find themselves working to get prospects to trust them in order to maintain their undivided commitment to the point of a purchase.

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[1]When I started this study, "buyer-broker contracts" were rarely used. However, in January, 1995, contracts between buyers and agents were introduced which reflected those between vendors and agents. Once signed, the buyer was committed to buying through that particular salesperson during the time period specified in the contract. If the buyer was to buy through another salesperson, the buyer would have to pay the agent with whom he or she was under contract his or her commission.

As of January, 1997, when I was conducting the second wave of interviews, most agents were still not using the contracts with buyers, at least in the Brantford area, although they are reportedly used more frequently in some other areas.

Vendors, on the other hand, are bound to their agent by the terms of the listing contract. When dealing with vendors, agents try to impress vendors at the outset and gain their trust in order to motivate them to sign a listing contract. Once the listing is signed, some agents slacken in their efforts, knowing that the vendor is legally bound to them for a specified time period. Fortunately, such agents are not typical of the majority, but they nevertheless do damage to the reputation of agents more generally. Some of them seem to list a lot of homes and view the real estate business as a numbers game. They try to tie the listing up as long as they can, and if it sells, they get paid. If it does not sell, they are out very little. In other instances, some agents will withdraw their services when vendors refuse to cooperate, mostly in regards to lowering their asking price. Most agents, however, will continue to work at maintaining the vendor's trust and loyalty in case the home does not sell during the original listing period. Where agents demonstrate that they are working hard, they are more likely to be successful in their request to extend the listing period.

Based on my interviews with buyers, sellers and agents, it was discovered that continuing to work with a particular agent may be contingent upon the agent: (1) signifying prospect importance; (2) personalizing encounters; (3) demonstrating competence; and (4) attending to third parties.

Signifying Prospect Importance

Given the amount of commission riding on each real estate transaction, agents recognize the importance of red carpet treatment for their prospects, if they want to keep them. "Signifying prospect importance" is a strategy employed by retail vendors to generate trust (Prus, 1989a). According to Prus (1989a), it involves being more attentive, more considerate, more willing to make concessions, telling prospects how much their business is appreciated, and/or spending more time with them.

Signifying prospect importance is also an important strategy employed by real estate agents in order to generate trust and maintain the loyalty of their buyers and sellers. This study suggests that buyers and sellers perceive themselves as being important to the agent when agents maintain close contact with them, defer to their requests, reduce the pressure to buy, are attentive to their needs and wants, and are generous with their money and/or time.

Successful agents recognize the importance of spending time with hot buyers in order to retain their loyalty and to make a sale. The decision to buy a home or to move to another home, because of the financial layout and the disruption to everyone involved, is often stressful. The longer it takes, the greater the likelihood that people will change their minds. "Maintaining close contact" with them, telling them of new listings and arranging for showings, helps to keep them focused. It also helps to prevent them from getting discouraged and thinking that a suitable property

cannot be found. The agent, at the same time, shows them that he or she is constantly looking on their behalf, and tries not to give them the opportunity to start looking with another agent, or to abandon the idea altogether:

> [Agent] Well if they're buying, it has to be a close contact, because you usually only have a very, very tight frame. If they don't buy in that tight frame, then I find they've lost their interest. You know, if you don't sell them in a time frame, who knows, they could decide to go buy a car instead. So buyers should be a short term relationship. [I-30A]

Prospective buyers echo the importance of agents maintaining contact with them and providing quality services as a means of indicating to them that they are important. Not all buyers are prepared to buy at the outset, and not all agents have the patience to wait until they are ready. Serious, but careful buyers, are more likely to continue working with an agent who shows them that he or she is willing to work at their pace. It also seems to be important for the agent to show prospects that he or she has not lost interest. Maintaining contact gives prospects the impression that the agent is dependable and that they are important to the agent. When agents become impatient or lose interest, customers often get the impression that the agent is only interested in making a quick profit.

A mother and son, hoping to sell their home in Ontario and move to British Columbia, became extremely loyal to a real estate agent in British Columbia as a result of his efforts to maintain contact with them. He sends them real estate information on a regular basis, keeping them informed of the local market

conditions, and little things like cards on special occasions. The occasional phone call also adds that human touch and clearly helps to justify their continued commitment to him:

> [Prospective Purchasers] {Son:} Without fail, this book comes every month with a little letter in it. He even sends you an Easter card, Christmas card, phones you up, "How you doing? What's the market doing there guy?" And that guy deserves to get on because he treats you as a human. Look at the stores, you walk into the stores here. How happy are the people? No way. You wonder if you're doing the right thing by even paying them. Oh he's been good to us. He's done what he's supposed to do.
>
> We love the west so much, the yearning is there. We've been all around the housing market there. We've been in hundreds of houses out there. We know what it's all about. {Mother:} And we have a real estate guy there. {Son:} Who writes to us and phones us, so it's only right that we would treat that guy right as well. When we go, we go with this guy. [I-45]

It is obvious that the agent has been successful in giving the prospects the impression that they are important to him. He recruited them through an advertisement in a business newspaper requesting people to call if they are interested in moving to the particular part of British Columbia where he works. After they contacted him, he maintained regular contact with them and they got to like him. No doubt he uses this strategy with a number of prospects. Each one likely feels that he or she is important to the agent as well as a sense of obligation to conduct their business through him.

"Maintaining close contact" and providing regular "feedback" regarding their property is also important to most vendors in order to maintain their loyalty. Calling vendors frequently gives the impression that the agent is actively working behind the scene at

selling their place. The following quote illustrates the importance of letting them know, for example, how an open house went, or if they saw the latest advertisement:

> [Agent] I believe in personal contact, making sure that I do see them. Calling them, following up after an open house, following up after a showing. The contact has to be there, then they know you're working for them. Calling up and saying, "Did you see the ad? Wasn't that a really great ad in the real estate news?" I want them to give me feedback. With some vendors you can do that, and with others you can't do so much. [I-25A]

Vendors may become impatient if their home is not selling. Some agents make it a practice to contact their vendors weekly, and bring them up-to-date regarding any showings or changes in market conditions, etc. As the following informant indicates, those who do so are likely to be viewed more favorably, and should the property not sell during the original listing period, the agent may have a better chance of getting the listing contract extended:

> [Vendor] She kept us informed. Cause there was some other people that expressed interest. We had one or two couples came back twice, I guess. We were always told, what was going on, who was interested, and what might happen. I thought we were well taken care of. [I-38]

Another vendor, who moved to Kitchener from Niagara Falls, was pleased with the second agent to list his property since the agent called him weekly, long distance, to keep him informed regarding any activities associated with marketing his property. The first agent had the property listed for five months and never bothered to call him. He got the impression that the agent was not doing anything to try and sell it. When the listing expired, for the second time, he changed agents. The important point here is that the second agent succeeded in making him feel important. He gave

the vendor the impression that his property was foremost in the agent's mind, whereas the first agent wouldn't even return his calls. What he didn't acknowledge was that the first agent did not succeed in getting him to lower his asking price, whereas the second agent had it listed at a more saleable price (a price that more realistically reflected the current market conditions). The agent knew he would eventually sell it, and he also knew why the vendor chose not to relist with the previous agent. Consequently, the agent was not going to make the same mistake as the previous agent, in case he, too, might require an extention of the listing contract:

> [Vendor] Well he was a nice guy, number one. He was the kind of guy you could talk to. He seemed to know what he was talking about. Some of them seemed to know what they're talking about but they don't. But this fellow seemed to know what was going on and he informed me every week about what was going on. If somebody was coming in to look at the house, he'd phone me and say, "I've got four people going through this week. We're gonna get it sold one way or another." And he worked hard at it. [I-29]

It can also be pointed out, as is apparent from the above exerpt, that agents who are able to "openly communicate" with clients, seem to be better liked. As well, agents who "generate enthusiasm" by expressing optimism and displaying confidence that they will eventually get the job done, are more likely to motivate vendors to continue working with them.

Occasionally vendors will insist that agents provide them with regular feedback. Hence, "showing deference" to vendors may be important to continuity when agents recognize that vendors want to "control the relationship." Recognizing that her vendor insists on

being treated as "somebody of importance," the following agent provides the information he requests, diligently, in order to retain the listing until it eventually sells:

> [Agent] Like I have one guy, he wants a report every month of how many houses in the two hundred thousands sold. And you know what? There's nothing wrong with that, I should do it. And I had to write a letter to him what I was gonna do for him. That I would advertise it so often, just because he's a big shot and wants to continue being one. So if that's what makes him happy, I mean, I've had his listing for over a year. And it's not gonna sell for this next six months. So I hang onto it. So I do what I said I would do, because it's gonna sell someday. And I want to have it, not the guy next door to have it. [I-62A]

Another way in which agents give prospective buyers the impression that their interests come first is by "relieving the pressure to buy." If purchasers feel pressured, there is a good chance that they will stop looking at houses for the time being, or change agents in order to ease the pressure. This is more apt to be the case when the homes being considered do not match the prospect's wants or needs.

The following informant not only stuck with his agent to the point of a purchase, but appears to be committed to the agent long after the sale, mainly because the agent reduced the pressure to buy:

> [First-Time Buyer] I think the best thing that we liked about him was that he never put pressure on us to buy. You know, I think we went out four or five times for a half day a shot. And there was never any hurry to get this, this is a great deal kind of thing. It was, "Well, if we didn't find anything this day and these all suck, we'll get something better the next time around. What you doing next Tuesday?" kind of thing, and off we'd go again. There was no pressure at all. And one thing I know that turns me off greatly is a high pressure salesman. Can't stand it. But we didn't have that at

all. [I-37]

On the other hand, there was little doubt that these prospects were going to buy and the agent knew it. The couple were university or college educated and both had good incomes. Probably the only thing that would have prevented a sale would have been the agent exhibiting impatience, and I think he recognized that. In this particular case, patience is virtue.

In another case, the real estate agent earned his buyers' commitment by encouraging them not to buy either of the houses which they were considering. He realized that they were making a forced choice and prompted them to start looking all over again. Now he knew that they had to buy a home and he knew that he would sell one to them. Nevertheless, they got the impression that their best interests were foremost in his mind, and this secured their loyalty:

> [Purchaser] So, anyway, there was something wrong with every house that we went into. We were going for home on Thursday morning, and Wednesday evening we left the kids at the motel. My oldest son is thirteen. So we left the kids in the motel room. We got pay t.v. for three movies. We phoned the desk and said, "Don't play any movies but these three!" There were a few blue movies on. That was no problem. Off we went with our agent over to the real estate office. We were gonna put an offer in on two of the houses. And this man looked at us and he said, "I don't want you to buy either one of those houses." "What are you talking about?" He said, "I know, I'm a real estate salesman. I'm supposed to sell you a house. I'm supposed to want to close the deal. But neither one of you are really sold on either of those houses. You're just buying it because you came down here for four days with the intentions of going home owning a house and damn it, those are the only two that are even close to what you might want and you're gonna have a house so you're gonna buy one of them." He said, "You don't really want either of them." And I looked at my husband and he looked at me and I said, "The man's

> right." The agent said, "I'm gonna go and put a pot of coffee on. You two discuss it a little more. I'll give you fifteen or twenty minutes, alone." I said to my husband, "I don't need fifteen or twenty minutes. He's right. If he hadn't said anything, we'd have bought a house tonight. But I don't want either of those houses. I don't like them. I'm not going to be happy in them. Let's not do it." "Fine." I said, "You know what I want. You know my taste. You know what I'm looking for. We'll go home tomorrow. You'll be back here working. You're starting up here on Monday. You and him find a house, buy it, I'll move into it. I know you won't buy a dive." [I-48]

A short time later a suitable home came onto the market and was acquired by the couple. At the time of the interview, the informant was elated with her new home. She also had nothing but praise for her real estate agent.

Signifying prospect importance can also be expressed by "being attentive." In fact, one of the most important qualities an agent can have when working with purchasers is to listen carefully to their concerns. "Being attentive" is a concept identified by Prus (1989a) as a role-taking tactic aimed at neutralizing buyer reservations. Essentially, he utilized the term in relation to vendors looking for signs that a prospect is getting ready to buy. Our use is somewhat different. It involves carefully listening to prospects in order to uncover what is important to them in a home, prior to, or during, the search. When people are shown homes that suit their wants and needs, they are more likely to continue looking at homes with that particular agent. Agents sometime refer to this process as "qualifying the buyer." And given that buyers are rarely certain about what they want, the qualification process is often repeated as the search for a home continues. Repeatedly

showing them homes that are well out of their price range, or that are not suitable for them, makes trust problematic, and may result in lost prospects.

Having previously worked with an agent who insisted on showing them homes which were in every way unsuitable and undesirable, the following informant indicates her appreciation for another agent who was "attentive" to her needs. This earned the agent the purchaser's trust and seemingly long-term loyalty:

> [Purchaser] Well, I have a disease that will eventually put me in a wheelchair, and, as a result, I'm looking at a house that could be made totally accessible in the future with wide hallways. I wanted very specific things in our house. And what impressed us the most about this guy is he listened to our concerns, looked at a lot of houses ahead of time, for us, with us in mind, thinking, "Oh, gee, that's not going to work for them, so I won't bother showing it to them. This is perfect for them. I'll tell them about it and see what they think." So, he listened to our concerns and previewed an awful lot of houses so we wouldn't have to go through, knowing that my energy levels are a lot less than most people's. [I-43]

A second buyer, single at the time, emphasizes the importance of the agent tuning in to what he wanted in a home. When a new listing came the agent's way, she introduced him to it before it was made public to other agents:

> [Purchaser] {Husband:} When I was looking for houses, I was looking for people that kept a very tidy house, a clean house. And you could tell that they looked after it. I looked at about ten houses. {Wife:} She knew what he was looking for, because they had spoke, in detail. Just from taking him around to other open houses, she knew what he was looking for. And this house came into her, like she got it to put up for sale, and went right to him before the sign was even up or anything. She said to him, "I've got this house that I'm getting. I think it's what you're looking for," and brought him in to see it. And then from there it evolved. [I-69]

"Being attentive" also involves working within the prospect's

financial limitations. One prospect indicates his appreciation for his agent working with his interests in mind and within the price range he discussed with her:

> [Purchaser] She didn't go out to find a house that she would like. She was geared to what we liked. She stuck to the value (price) that we set. Mostly she went looking for us, and not for herself, or anything like that. [I-65P]

"Being generous" with prospects is another way in which agents give them the impression that they are somebody of importance to the agent. Occasionally real estate agents will treat their prospects to lunch or to dinner. Especially when building a relationship with out-of-town buyers who cannot go home to eat, this creates a sense of indebtedness and the obligation to repay the agent by purchasing a home through him or her. Given that prospects are prone to changing their minds, agents are not so routinely generous. They are, however, more apt to do it when they sense they are working with hot prospects and want to secure their loyalty:

> [Agent] I've taken them out to dinner. People who've come into town, I've paid their motel room. If you're talking people buying a three or four hundred thousand dollar house, today, you take them to fancy places, if you know they're the type that are used to that. If they're not used to it, you don't spoil them. Then you go down the line but you never go to (a fast food restaurant), or any place like that. Maybe out to (something in between) with some other people, just a little bump from what they're normally used to. [I-34A]

The importance of agents treating prospects with generosity is reflected in the perspective of the following informant. Not only was she appreciative of the agent treating her and her husband to dinner, but he was extremely generous with his time. He worked

exclusively with them for four days. This was particularly important because her husband accepted a promotion which necessitated a transfer to Kitchener from the Ottawa area. Both the informant and her husband were experiencing an urgency to find a suitable home, as soon as possible, in order to get their family settled. When the agent gave them his full attention, they trusted that he had their best interests foremost in his mind:

> [Purchaser] He was super. He spent four days with us. He did nothing else. He just toured with us. I mean, he took us for supper, he did everything. And people kept saying, "Well yeah, but you know, he knew you were gonna buy a house in Kitchener. You were a sure sale. He was gonna make money off you." Well that's true. But to my way of thinking the man went above and beyond the call of duty. Like he didn't nine-to-five us. And he didn't, as soon as we said, "Well we'll put an offer in." Oh good, I can get rid of them now. I mean, this man was fantastic. He was just a super, super, nice guy. If he was out for himself, he'd have sold us the house and then said, "They hate that house. They won't want to stay there. I'll get the listing. I'll sell that one again and sell them another one. I'll make double." You know, he was super. [I-48]

The above informant demonstrates the reflexive nature of interpretation (Mead, 1934; Blumer, 1969) as she takes the role of the agent so as to determine whether or not he had her and her husband's best interests foremost in his mind. She was convinced that their satisfaction was most important to him and that his intention was to find them a home that they liked, even at the expense of further sacrifice on his behalf. His actions put her at ease and won their commitment to him as their agent.

The idea of agents putting themselves out in order to help others, without remuneration, impresses prospects and seems to secure their loyalty. Everyone likes to get something for nothing.

One woman, in no position to buy when she moved to Waterloo from another province, appreciated that a real estate agent spent a considerable amount of time with her in order to find her a suitable place to rent. When the time came to buy, there was no doubt who she would turn to in order to find her a home:

> [Purchaser] She was very personable, very friendly, and I guess what impressed me the most was that she was willing to help me find a place to rent, even though for her, personally, it probably didn't mean that she got a commission. She spent quite a bit of time with me trying to find a place that I would like. She spent about a week, probably two or three hours a day helping me find this place. [I-3]

Our findings suggest that giving prospects the impression that they are important to agents is crucial to retaining their loyalty. It is much more than telling them how much their business is appreciated, carefully listening to them, or spending more time with them as was noted by Prus (1989a). Signifying prospect importance also involves agents demonstrating to prospects that they are willing to put themselves out for prospects by spending their own money on them, by responding to their concerns, and by making that extra effort to find them what they want without consideration for their own rewards. Loyalty (and hence trust) is fostered when agents show proof to prospects that the prospect's interests come first.

Personalizing Encounters

Another way of gaining the trust and commitment of prospects is by "personalizing encounters." The strategy of personalizing encounters involves the efforts of salespeople to "fit in" with

shoppers as well as to make them feel important. Support for this strategy was found in Prus' (1989a) research into retail vendors generating trust and developing loyalty with shoppers, and Regehr's (1982) mechanic-customer relationships. Lauer and Lauer (1994) also identified "self-disclosure" as important to intensification and continuity in romantic relationships.

One important way of personalizing encounters involves finding some common interests. This, to some extent, is part of the qualification process. When working with new prospects, the following agent usually invites them to come to her office where she will spend a couple of hours gathering background information and searching for some common interests or experiences which will help bond the relationship. Given that she has her own office, and a rather impressive one at that, the setting serves as "props" (Goffman, 1959) enabling her to project an image of success to her prospects. Once the stage is set, engaging them in the act of mutual "self-disclosure' (Lauer and Lauer, 1994) is pertinent to the establishment of trust and the building of a relationship:

> [Agent] I spend a fair amount of time with vendors and purchasers, letting them get to know me and getting to know them. To me the usual things are where they're from, what influence their parents have, are their parents going to have to come and okay a house that they're going to buy? I usually try to get them into the office because this is my playground. If you find the conversation is really tilted where they're holding back and you're not finding out anything about them, that's when you kind of zone in on yourself, tell them about you, which puts them at ease. You can see by their eyes that they're wandering and not really interested in you, then I go into very pointed questions. How old are you? Where were you born? Where did you go to school? Because some people don't like to know about other people, they only like to talk about themselves. So when

> you see that they're not connecting with you, you move it to the other side. And quite often they'll open up. If you talk to people for a period of two hours, you'll find a mutual acquaintance or friend, or a common ground. And you work on that. I think I've got two things going for me. Number one is my age. I'm an older person and they feel they can tell me things they might not tell a young agent. And the second thing going for me is I tell them all about me. They don't want to work with a name. They want to work with a person. A person who has had problems and experiences. As soon as I hear the trace of an accent, I zone in on it. "Where are you from?" "Yugoslavia." Because I travelled there and I know the place from 1959 to 1963. And there again, you build the base. And they'll remember you then, as a person, not as a real estate person. [I-26A]

Personalizing encounters sometimes involves more than just fitting in or finding some shared perspectives. It may take the form of a "friendship" or people socializing in another context. In actual practice, it seems unlikely that these friendships will be of significant duration once a sale has been completed.

The importance of being treated as "friends" in order to generate trust and loyalty was noted by other authors. House (1977), Angrist (1984), and, Ruane, Cerulo and Gerson (1994) also discovered that real estate agents tried to foster friendships with prospects to get them to buy from them. They also tried to get satisfied customers to think of them as friends, after the sale, in order to get referrals. Hayes-Bautista (1976) found that health-care practitioners sometimes referred to their patients as friends in order to save the relationship when threatened with disinvolvement. While their notion of friendship seems to be used rather loosely, it might better be characterized as personalizing encounters, as we really do not know how enduring these friendships may be.

One vendor, whose home was for sale at the time of the interview, indicates that she and her husband will continue to work with the same agents (husband and wife team) in the future, even if their home does not sell, mainly because they view them as friends. An agent who had the listing before these agents apparently did a satisfactory job in his attempts to sell their home, but the relationship was strictly business. This left them with reservations about listing with someone else after the listing expired, for fear that the agent may not have been given a fair chance. However, they became attracted to the friendly demeanor of the husband and wife team, something that was lacking in the first agent, and decided to list with them. The relationship evolved into a kind of friendship, which the wife indicated is important to their continuing commitment to these agents:

> [Vendor] Actually it wasn't really fair, we didn't really give him (first agent) a chance after the six months, and it was our first time listing, too. We didn't really give him a chance. It was six months. And then we just kind of said, "Well he didn't sell it, let's go with someone else." So that's what we did.
>
> We'll probably stick with these guys right up until where we really want to go. They're more like, they just had a baby and everything, and we're a family, and, I don't know, we just kind of hit it off. So before the baby was even born, it was just like we were talking to our friends or something, cause we were so comfortable.
>
> I don't know we just kind of decided not to go with him (first agent). He was kind of just doing his job and that's about it. Like doing what he was qualified to do and what he had to do. I mean we didn't hate the guy or anything. We didn't dislike him or anything. It was basically an all business thing. Whereas with our current agents, it's not. They're really friendly. They're a very friendly couple. If something comes through, she will call me. If something comes through, he will call my husband. [I-75]

As Prus and Sharper (1991:167) note in reference to gamblers

changing careers, while disenchanted persons may seek out new options on their own, doing so is more likely when one encounters a particular other who can provide an advantage into a new specialty. In essence, the preference for the new agents tipped the scale for these vendors, who became more disenchanted with the first agent after meeting the second ones. However, their disenchantment had more to do with the second agents' friendliness than it did with the first agent's skills in marketing their property.

This preference for agents who are friendlier is also reflected in the medical setting. Hayes-Bautista (1976) found that patients may opt to change physicians when they encounter a second practitioner who is "friendlier" than the first. It seems that relationships which are all business are less likely to endure for the long haul. It only makes sense, then, that relationships between agents and those whom they represent sometimes evolve into friendships.

When agents socialize with their prospects outside of doing business together, this is often interpreted as a "friendship." One prospective buyer, who moved to Ontario from a western province, went out drinking with her agent on a couple of occasions. She had informed the agent that she would be ready to buy in the not too distant future, so they maintained contact with each other until that time had come. Given that the agent found her a place to rent when she first moved to Ontario, and that they had done some socializing, the agent was successful in gaining her

trust and her commitment, eventually selling her a home:

> [First-Time Buyer] She knew my situation having rented to me earlier, and in some ways we became friends. We went out a few times, so she knew what my personal situation was, and she knew what my likes and dislikes would be to some extent. [I-3]

As an afterthought, this purchaser was not entirely happy with the home she bought, since it required more extensive renovations than she originally anticipated. I don't know if their friendship continued after the sale.

Another way in which interaction can be moved to a less formal level is by the use of "humor." Being able to joke with one another, and feeling free to make others the subject of a joke, may put people at ease. Knowing that they can be themselves with the agent and feel free to express their feelings, contributes to buyers liking agents and the willingness to continue working with them. Given the size of the expenditure in real estate transactions, buyers need to feel confident that their agent will not pressure them into buying something they do not want:

> [First-Time Buyer] Buying a house, especially the first time, is intimidating, as all hell. And our agent put us at ease. He was very helpful and stuck pretty well to spec. (specification) on what we were after. Just the friendly banter, you could kid with the guy and he seemed to be able to adjust. I think it's probably an important skill for a real estate salesman, too, to be able to adjust their mannerisms and personality to the people that he's working with. I was just able to be myself and it was just great like that. Maybe we just clicked, who knows. [I-37]

"Integrating prospects with other family members" is another way in which relationships can be moved to a more personal level. It seems to suggest that the prospect is sufficiently trustworthy

that it is safe to introduce the prospect to, in this case, the agent's children. The following informant indicates the pleasure he experiences when a real estate agent from British Columbia calls him, long distance, and lets him talk to his kids. His voice broke briefly in the interview situation as he told of the phone conversations with the agent's children. It was obvious that the prospect was touched by the agent's apparent efforts to make him feel like a member of the agent's family. His perception of the agent's special treatment has contributed to his commitment to buy through that agent when he sells his home in Ontario and proceeds with his move to the west coast:

> [Prospective Purchaser] I even talk to his kids. The kids talk to me on the phone and everything. Mister Marvin they call me. "Hi ya Mister Marvin." But that's a good relationship. So we will definitely go to the guy. And he deserves it as well because he sends us those books every month. [I-45]

The strange thing about the above informant is that he was at one time a real estate salesperson. Still, he appreciated the efforts of the agent to treat him as one of the family, especially since they had never met, face-to-face. Agents want prospects to like them and want prospects to think they like the prospects. This makes betraying the agent by dealing with another agent difficult. It worked in terms of the prospect's expressed commitment in this case. The prospect did succeed in selling his Ontario home, but I do not know if he proceeded to buy through that particular agent.

Demonstrating Competence

There are two principal ways in which competence is assessed. When working with buyers, agents who can demonstrate that they know their product are likely to be viewed as competent. "Knowing the product" involves an understanding of building construction in order to advise prospects of possible potential problems with the home's structure. It also involves being familiar with the inventory of homes which are for sale. Of those working with vendors, those agents who can demonstrate that they are "accountable" for properly marketing their homes, are more apt to be trusted and seen as competent.

When working with buyers, one way in which agents show them that they are competent is by "pointing out" any possible "defects" which may cause them problems somewhere down the road. These potential problems could include structural problems with a home such as the need for roof replacement, faulty plumbing or wiring, or signs of leakage in the basement (or elsewhere). They might also draw the prospect's attention to nearby businesses which could reduce property value, local traffic, or the drawbacks of buying a corner property. Identifying possible defects, or informing prospects of potential resale difficulties related to location, helps to demonstrate the agent's "expertise" and gain the prospect's trust and loyalty:

> [Agent] If I feel there's something wrong with a house, say you're buying something on (street), where it's backing onto a railroad track, I would personally not want to buy that house. But it's not me that's going to be living there. I would point it out to them so they know it's there. If they feel it's an objection, then

> they have to deal with it. I wouldn't sell them a house with urea formaldehyde if I was aware that there was urea formaldehyde in the house without pointing it out to them. If there's a crack in the foundation, you point it out to them. If there's termites, you point it out to them. It's your job as an agent, when you're representing the purchaser, to show these little things. If the furnace looks old and it might have to be replaced, you let them know. If the roof's going to have to be replaced, down the road, you tell them, yeah, it's going to have to be replaced. You don't want to be in a position of going there after closing and them saying, "Oh, look what we found out, that you didn't bother to tell us." And that they don't ever want to see you again. [I-22A]

While agents are not trained in housing construction or defects, they recognize that buyers may depend on their expertise in these matters. Unlike Prus' (1989a) retail vendors, they generally cannot warranty the product they sell against defects[2] or allow purchasers to walk away from the deal. What they see is what they get. The only thing agents can do is to hold themselves out as accountable for their services with vendors and show buyers that they, indeed, have sufficient expertise to protect them from buying a property which they later may regret.

Buyers expect agents to know the product they are selling. They expect agents to protect them from buying a lemon. This reflects Prus' (1991) discovery that shoppers sometimes assess retail vendor's competence by the knowledge they have of the products they sell.

The following buyers seemed to be impressed with their agent's

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[2]One exception is new homes in which certain defects are covered for a specified period of time under the Ontario New Home Warranty Program. Re-sale homes built on or after January 1st, 1991, if enrolled in the program, may also have warranty coverage against certain major defects.

ability to recognize potential problems in homes they were viewing and to protect them in this regard:

> [Purchaser] He was pretty good about showing us things in some houses that you wouldn't want, like a particular type of wiring, and particular type of pipe. And we'd go through say a kitchen and the floor would kind of be going bumps and everything. He'd say, "Well I don't really think you want your floor to be looking like this." And if you'd go into a basement, he'd point out, "Do you notice this is very damp in here?" You know, things that he's trained to look for that we would perhaps miss. You know, he'd go and he'd look at the furnace. He'd say, "Well this furnace isn't in really good shape." So he was really good that way. [I-52]

While the majority of agents are sincere in their assessment of a home's quality, most do not possess much expertise in such matters, and many seem reluctant to say things that might discourage a possible sale. Some simply do not see it as part of their responsibility, and since they are nearly always paid by the vendor, some claim that their responsibility is primarily to represent the vendor's interests. On the other hand, some agents may find fault with certain homes in order to encourage prospects to buy the home that they want to sell them.

Prospective buyers tend to see agents as more competent when they know the inventory of homes available in the marketplace. As the following example indicates, the openness and honesty exhibited by the agent is based on the couple's past experiences with her. It appears that she properly qualifies them and they obviously trust her judgement in choosing homes to show them:

> [Purchasers] {Husband:} She was up front, very, very honest. {Wife:} And we got to trust her. {Husband:} It was just her attitude. She was up front, so she'd tell you point blank whatever she wanted to tell you. There was no beating around the bush. She knew a lot of the

> houses in Kitchener because of her business and the ones that we picked out on paper, no, she wouldn't even take us to look at it. {Wife:} She knew exactly what she thought would suit us, and it always did. So she got to know us pretty well, that way. [I-42]

When buyers see that agents are familiar with homes currently on the market, they are more apt to trust their judgement and continue working with them. Knowing the inventory can save buyers a lot of time by screening out homes which are unsuitable for them. It also increases their confidence in the agent's ability to find them a suitable property:

> [Purchaser] She just about knew every interior of every house. When you'd go through the book and say, "Have you seen such and such a house?" She'd usually have the answer to say, "Yes." And she was usually able to tell you right away whether it was worth looking at, or whether it was a dump. So that helped us out a lot, with saving a lot of time having to go around to different open houses or getting the key to the houses to have a look at them. [I-59]

It is equally possible that the agents are directing their prospects to homes where they make larger commissions. There are a number of discount brokers cropping up in the business and the small commissions they offer to other agents provides little incentive for agents to show their listings. This results in many agents avoiding their listings. In addition, while agents can see what's available through attending MLS agent open houses, there are so many homes on tour that they cannot possibly see them all. The ones they do see are viewed so quickly that it is doubtful that they could remember much about them.

It is quite an achievement for an agent not to be blamed by the vendor when a house does not sell. Agents who can demonstrate

that they are competent are also more apt to be successful at extending the listing or relisting the property after it expires. There are two other services which agents provide to vendors which seem to convince them that the agent is competent. They include (a) providing plenty of advertising and (b) holding frequent open houses.

The following agent emphasizes her extensive advertising program as evidence of her competence. She reminds her vendors of the amount she spends on advertising and gives them the impression that other agents would not do as much for them. In actuality, one finds considerable variation in advertising practices:

> [Agent] My expenses are extremely high, and that's probably because I probably am too detailed. We will put it on Homes Plus, the t.v.. We'll put it in the real estate news. We'll do agents' flyers. I'll phone agents and verbally promote my listings. We do desperate, panic flyers. We do the whole nine yards. Sometimes I'll sit down with my vendors and I'll say, "Look, you've got one promotion a week. Show me another agent that will spend that much money on your listing." We do give them an expensive service. So, I never have to question that. I know they're spoiled, so to speak. [I-30A]

When agents advertise frequently, vendors are more likely to get the impression that agents are doing their job. One vendor, observing that her agent advertised her home quite extensively, plans to relist with the same agent in the future. While it is not known if the agent was competent at pricing the home properly or servicing it in other ways, it appears that she gained the vendor's trust in this regard by her willingness to spend money on advertisements:

> [Vendor] She advertised it on t.v. and spent lots of money advertising it. It's not her fault that my house

> is not selling. We'll call her when we want to list again. It was listed in the June through August. We'll try again. We just didn't want to move in the wintertime and there's lots of competition (houses for sale) in the neighbourhood right now. [I-54E]

Another way of getting vendors to trust that agents are competent at selling their home is by doing more open houses. Some agents try to avoid them altogether and the odd vendor actually requests that the agent does not hold them. However, when a home does not sell, agents may find themselves trying to justify to the vendor that they have made a solid effort to move the home if they expect to relist it. Some, therefore, try to convince vendors of the benefits of doing open houses. When doing open houses, the agent is spending explicit time working specifically on the listing, making it available for the public to see. This is likely to be viewed favorably by vendors. Should the property not sell during the listing period, there is an increased chance that the vendor will extend the listing, or relist it with the same agent, allowing for the continuance of the relationship.

One agent, working with a company where the broker pays for advertisements on a rotation basis (according to the company's budget), also finds that doing open houses is a way of manipulating the broker into paying for more advertising. Most companies (but not all) that pay for the agent's advertisements, will provide extra advertisements for agents to announce open houses, since open houses increase the agent's chances of picking up new customers or possibly double-ending it (selling own listing), hence, making more money for the company:

[Agent] My marketing plan is usually open house, open house, open house. Advertising, we can't really control other than through open houses. And salesman, realtor open houses, too. I didn't feel I could get a good rapport with people unless I did open houses. I did a lot of open houses strictly to please the vendor and to keep his property advertised.

I find you keep the vendor happy by doing lots of open houses. Not only does it keep the vendor happy, but it's also a sneaky way of getting lots of advertising for the listing. I try to keep the address or the property in the public's mind as much as possible. And open houses is the best way to do it because our company and the company I worked for before would allow you as many open houses as you wished to do. It just means that it's tying up your time with one or two vendors. It's very difficult to do more than three or four vendors with lots of open houses. It means that you're doing open houses usually two or three times a day, which we've started to do over the last few years, where you'd start doing open house at one place in the morning, and then one mid-afternoon, and one later afternoon. It simply has to be done when you've got lots of listings and you want to keep all the vendors happy. That automatically keeps the vendors happy because they see that the property is being advertised. And if it's not selling, and they see that you're working, there's only one reason why it isn't selling and it's because of the price. And then it's easier to get the price down and move the property.

During the summer, they do them at night as well. Now they usually only do one at night. Sometimes they'll do two, early or late afternoon, and early evening. But on Saturdays and Sundays, over the past few years, they've started doing three or four a day. And it's strictly to keep the vendors happy. [I-22A]

Although not all that common, some agents are successful at selling homes through open houses. When they do so, their vendors are likely to be impressed, for the agent has also found the buyer. In fact, the following vendors indicate their commitment for one agent who held frequent open houses. They bought and sold through him several times and remained committed to him because of his strong work ethic. The fact that he was always successful at selling their homes through open houses convinced them of his

competence:

> [Vendor] We've only used one real estate agent but he died recently. However, we're not planning to move anymore. He just never quit until the house was sold. He held open houses every weekend and always found the buyer himself. [I-55]

Agents may also be able to demonstrate their competence by keeping vendors informed as to changing market conditions, including recent sales and listings in their neighborhood which might affect the sale of their home. This may give them the impression that the agent is not only competent, but is working silently with them in mind. Agents usually try to convince vendors that their asking price should be close to other comparable properties which are for sale in their neighborhood, and that the price ought to be adjusted according to changes taking place in the neighborhood (or marketplace). The selling price of recently sold properties provides the most reliable indicator, but if the market is slow, the asking prices of other homes listed for sale (if higher than the vendor's property) can help to sell the vendor's property, or the vendor's property (if listed higher) may help to sell the competitor's property:

> [Agent] I give extremely detailed service. This is the 90's, not the 80's, so it takes longer for homes to sell. So it's much more time consuming because you have to be very, very indepth with them. You have to give them reports. You have to talk to them on a weekly basis. You have to constantly let them know, comparative market analysis, what's happening around them. The service is much, much more detailed in the 90's as opposed to the 80's, cause it's taking longer for homes to sell. So that kind of detailed service, that kind of commitment, the mail-outs every second month. And I think, too, I think that they can tell that I'm a worker cause they can call me at almost any hour and they know that they've got me in the office, or they've got me doing a listing, or

> they've got me doing an offer. Then I don't feel so bad. They know I'm a worker. They know I'm doing the best for them that I can. [I-30A]

While analyzing the market mainly helps with price adjustments, providing detailed reports seems to give the vendor the impression that the agent is competent. In fact, all these marketing activities (open houses and advertising included) seem to impress vendors and may contribute to agents solidifying relationships with their vendors. Most agents, however, see price changes to be among their biggest assets in selling houses.

Similar to Haas and Shaffir's (1977) findings, it seems that competence reflects either being competent or appearing to be competent. Most agents possess no formal knowledge or expertise when it comes to housing construction, so what they have to offer is their opinion. While they may be helpful in identifying potential problems or structural defects, they may also fail to recognize certain defects or even attempt to conceal them. Since holding open houses and doing advertising usually gives vendors the impression that agents know what they are doing, these activities are equally self-serving in helping agents to market themselves to new unqualified prospects.

Attending To Third Parties

A preventive strategy which helps agents to maintain relationships with buyers and sellers is "attending to third parties." Especially when working with first-time buyers, frequently a parent is supplying the downpayment. Certainly parents or other

consequential third parties may be consulted before a final decision on a property is made. In most cases, third parties are not consulted until late in the game, when an offer for a home is being contemplated. Sometimes they throw a dampener on the situation. If they do not approve of the property, there is a good chance the prospects will not submit an offer. Among the ways agents deal with third parties and their relationships with their customers include: (1) pitching to influentials, (2) discrediting disruptors, and (3) showing deference to influentials.

Pitching To Influentials

One strategy that Prus (1989a) discovered by which salespeople deal with group shoppers who may discourage a prospect from making a purchase is "pitching to influentials." Parents are probably the most influential of all third parties, particularly when they are financing younger, first-time buyers. Upon recognizing that parental approval may be required before buying, one experienced high producer attempts to get the parents involved, as soon as possible, in the search for a home. This gives her the opportunity to discover what they are looking for and to dispell any misgivings they may have:

> [Agent] As soon as you get involved with parents, that's the first thing. Well this house is too much. "In my day I could buy it for that amount." So, sometimes if you know the parents are gonna get involved, it's nice to get them involved in the beginning, so that they're educated as well. Because that parent may not have bought a house for fifty years, and they have no idea. Parents or family are the big thing and, well, you have to overcome them. I'm a parent too. You know what, if they don't want the house, "If you don't want to buy this

> house, we won't buy it. We'll find another one." Like I'm not gonna twist anybody's arm. I'm gonna buy them a house everybody's happy with. Now, if on the side they say to me, "My parents are driving me nuts," I say, "Well, then let's get around it. What do you want me to say to them? But I don't want you upset with what I'm gonna say to your parents." So we all have to do it. If the parents are involved, they're involved. And sometimes they are the money. And they got to like you. They don't want you pushing their kid to anything. So now you got four people to contend with rather than two, so it's a little tougher. [I-62A]

Discrediting Disruptors

A second strategy discovered by Prus (1989a) by which salespeople deal with third parties who interfere with their attempts to make a sale is "discreting disruptors." In the case which follows, the disruptor is offering advice to the prospective buyer based on her own experiences. Having bought privately, she introduced the agent with whom she had been previously working, to a friend who was interested in buying. Given that the informant bought a handyman special (home in need of extensive renovations), and considered herself experienced in structural matters, she accompanied her friend when she was viewing homes. Whenever she alerted her friend to possible defects in the houses, the agent attempted to "discredit her." This upset the informant who got the impression that the agent was not looking out for the buyer's best interests. While the agent fell into disfavor with the disruptor, she apparently succeeded in discrediting her and managed to sell the prospect a home:

> [Friend of Purchaser] At first I didn't really have all that many reservations in dealing with her. She seemed like a really nice person. She seemed to know what she

> was doing. And she sold a house to my friend. And when she was doing that, she was a little bit pushy. And when I would try and offer any advice to my friend, you know, I've bought a home, we've done major renovations to our home, so when I went with her, I knew what I was looking for. You know, I knew some of the drawbacks and whatnot. And she would get a little pissed off at me if I said anything negative to my friend, which I really didn't like. That really turned me off. I know what I'm doing. I've been around enough, I've seen enough houses that I know what I'm doing, and I don't want my friend stuck with a bad house. [I-73]

I had a similar experience with a bank manager who I suspect had been influenced by my vendor's father. They were reported to be good friends and business associates. My vendor suspected that his father had advised the bank manager to discourage him from selling. At the vendor's request, I accompanied him to the bank in order to be prequalified for a mortgage. Unexpectedly, the bank manager lectured the vendor, reminding him that, in terms of his lifestyle (he liked going on skiing trips and eating out), it would be better for him to stay where he was rather than increase his debts. He also pointed out that it was me, the real estate agent, who stood to profit by the selling of his home.

When we left the bank, the vendor recalled that the bank manager had bought and sold several times, occasionally privately, and that he had made money doing so. I told the vendor that I had never encountered anything like that, and that I would never send any referrals to that bank manager. I also pointed out the hypocrisy of the bank manager's statement, that he was making money dealing in real estate, and that he seemed to dislike real estate agents. The vendor agreed and we proceeded to sell his home. I sold his home, an older bungalow, poorly designed and in a poor

location close to an expressway, at a price much higher than he or I expected. I then sold him a raised bungalow, which was almost new, located on a quiet crescent in a popular resale neighborhood. Instead of going back to the bank, he elected to get a mortgage through his insurance company, at a lower rate than what the bank was offering. His mortgage payments are virtually the same, and he has a better home environment as well as a much better investment potential. Both his father and the bank manager had to admit, he got an exceptional deal.

Deferring To Influentials

What typically happens when agents are confronted with third parties attempting to disrupt their sale is they "defer to their perspectives." Most agents recognize that prospects are more likely to trust the opinion of relatives or friends who do not stand to gain, financially, by their decision. These third parties are usually more intimately connected to the prospects and their opinions are likely to be valued. Challenging them can be dangerous. In order to save the relationship, agents are more likely to defer to the opinion of third parties, even though they believe it may be in the customer's best interests not to do so:

> [Agent] I hate it when the parents come. I hate it when the brother comes. I hate it when the supposedly friend who's an electrician or has bought twenty-five houses, so he's the expert, comes along. Because, by that point in time, normally speaking, it's a second or third time when they bring the people. And they're the experts, supposedly, and what they're there for really is to rip the house apart, I feel. And it usually kills a deal. It doesn't usually increase your chances of completing that sale. And I'm never happy when they come along.

> Usually the ones I've seen think they know everything. They don't. And they're there to kill the deal, to me. I don't like them because I think by that point they've made up their mind that they're likely gonna put something in on that house. Because of the friend, they've changed their mind. I simply say, "Okay, let's go and get a different one." If their friend's opinion's are that important that they bring them, then I'm not gonna argue with them. I would rather keep them as customers and say, "Okay, let's get another one." [I-61A]

A loyal client of mine decided that he would like to buy a bigger home. I took him to look at some new homes, one of which was a beautiful home located on a corner lot. He fell in love with it and called his father to look at it. There wasn't much wrong with it, but his father took me aside and reminded me that his son trusted me and relied on my judgement. He didn't feel it was a good time for his son to take on a larger mortgage, as he already had a nice home that met his needs. I felt the same way and discouraged his son, my client, from making a move.

CHAPTER SUMMARY

This chapter has looked at how agents maintain the loyalty of their clients and customers to the point of a sale. While attending to buyers' and sellers' concerns, I looked primarily at the strategies utilized by agents in order to generate trust and maintain the loyalty of their buyers and/or sellers.

It was discovered that fostering commitment was related to (1) signifying prospect importance, (2) personalizing encounters, (3) demonstrating competence, and (4) attending to third parties. "Signifying prospect importance" involves the efforts of agents to convince buyers or sellers that their interests come first. In

essence, agents are giving prospects the "royal treatment," maintaining close contact with them, adjusting to their expectations, possibly treating them to dinner, encouraging them to move slowly, knowing full well they are going to buy and making sure it is through them.

"Personalizing encounters" expresses the efforts of agents to give buyers or sellers the impression that they are closer to each other (like friends or family) than they really are. It involves changing the emphases from a business, role-based relationship to one based on similarities and increasing intimacy or self-disclosure. In some cases, a friendship emerges, making it difficult for buyers or sellers to disinvolve themselves from the agent, or to consider another agent.

"Demonstrating competence" is related to agents convincing vendors and purchasers that they are knowledgeable, and that the activities in which they are engaged (previewing homes for sale, pointing out defects) are for their benefit, which is not always the case. Much of what agents do for vendors (writing advertisements, doing open houses, providing feedback) is meant to promote themselves and faciliate contact with new prospects. When working with prospective buyers, agents may point out defects or preview homes, discouraging prospect interest in certain ones. However, agents are not experts regarding structural matters, and they are often reluctant to show homes with low commissions. There is also plenty of opportunity for agents to influence prospects in one direction or the other.

"Attending to third parties" involves identifying those parties, usually parents, who may influence the outcome of a potential sale and, hence, the relationship. The ways in which agents deal with these third parties may differ. Usually third parties come into play at the point an offer is being contemplated, rather than earlier. Where agents know a parent, for example, may be highly influential, they may try to get them involved earlier and target satisfying them (pitch to influentials). In some cases agents may attempt to "discredit disruptors" whom they feel are interfering with a potential sale. Doing so, of course, may be contingent upon the third party's relationship to the prospect. If they are close (good friends or relatives), then it may be risky to do so. The most common strategy is to "show deference to influentials." More often than not, the third party is someone well known and trustworthy to the prospect, and challenging him or her can pose a problem. Both may turn against the agent and the agent could lose the prospect. Agents, therefore, are more apt to simply begin the search for a home all over again.

CHAPTER VIII

THE ENDING OF RELATIONSHIPS

Only agents know how unpredictable their relationships with buyers and sellers can be. The excitement and anticipation that agents feel when they get new listings or attract hot buyers can quickly turn to despair when buyers drop them for other agents or the listing expires and the vendor lists with someone else. This is the experience which confronts every agent, some of them over and over again. This is their world. Sometimes their efforts are successful and they may be envisioned as heroes. Other times, they may do everything right (at least in their eyes) but they lose on the outcome. Still, other times, they may do very little, resigning themselves, instead, to the probable loss of the client or customer.

This chapter examines "when" and "how" relationships between real estate agents and their clients or customers come to unsuccessful conclusions. The first section looks at the kinds of experiences that buyers and sellers have had with agents which resulted in the relationship ending. The next section discusses real estate agents' experiences with losing buyers. Following this is a section which focuses on real estate agents phasing out buyers. While less common, real estate agents sometimes take a more active role in disinvolving themselves from particular vendors. Their experiences will be discussed in the fourth section. Lastly, the ways in which relationships are ended will be addressed. Given that human relationships are somewhat ambiguous,

and interaction between individuals may assume "spurious" dimensions (Lemert, 1962), agents are not always sure if buyers or sellers are making indications that they are not interested in their services. Agents, therefore, sometimes pester prospects in attempts to secure their business or to restore their relationships, often resulting in buyers and sellers typing agents as inappropriately aggressive and bothersome.

EXPERIENCING DISENCHANTMENT WITH AGENTS

> [Prospective Buyer] Well he phoned me up again and told me that he had maybe found something in the price range. And I told him, "Well that's quite interesting because I've gone out on my own and I have been able to find a lot in that price range, and I've made a selection, privately." I mean, he was just a little too slow to find something appropriate for me and not appropriate for him. [I-35P]

Agents, it seems, often are their own worst enemies when it comes to maintaining the loyalty of their buyers and sellers. When we examine the experiences of buyers and sellers, we can understand how disenchantment with the agent may come about. In fact, "disenchantment" may help to explain disinvolvement from any number of activities or relationships. Prus and Irini (1980), in particular, offer the most comprehensive statement regarding the relationship between disenchantment and disinvolvement in reference to hookers, strippers and other members of the hotel community. Prus and Sharper (1977, 1991) also discuss disenchantment in reference to gamblers attempting to go legit and Prus (1989a, 1989b) addresses it in regards to consumers changing retail vendors or products.

This research indicates that buyers and/or sellers disinvolving themselves from agents is contingent upon client perceptions of (1) unfulfilled obligations, (2) incompetence, and/or (3) being mislead. Disenchantment, of course, may be at the heart of disinvolvement, in most cases, in agent-client/customer relationships.

Unfulfilled Obligations

Research by Roznaczuk (1984) into interpersonal conflicts indicates that trust violations are often related to "unfulfilled obligations." Should trust become doubtful, then relationships are likely to be in jeopardy.[1] Similarly, this research suggests that agents lose buyers and sellers as a result of "unfulfilled obligations."

"Prospective buyers" tend to distrust agents when they: (a) are not attentive to their needs or wants in a home; (b) act in the vendor's best interests; or (c) attempt to push them into a higher price range.

"Vendors," on the other hand, may become disenchanted with agents when they: (a) disregard their commitments; (b) are reluctant to advertise or hold open houses; (c) do not follow up on showings; (d) fail to show the property to their own prospects; (e)

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[1]Support for the importance of "fulfilling expectations" to the building of relationships can also be found in Lauer and Lauer's (1994) study of romantic relationships. They suggest that an individual's expectations in reference to a variety of norms and values must be met in order for an intimate relationship to develop.

more or less abandon vendors by taking off for extended vacations; or (f) fail to keep in touch or to provide feedback. Akin to unfulfilled obligations is "disregarding agreements." Vendors may also become disgruntled when agents violate specific agreements.

Agents who seem to be "inattentive" to prospect interests usually frustrate prospects and that often results in a loss of confidence in the agent. This typically occurs when agents make poor selections or limit showings to their own or their company's listings. Prospects tend to become suspicious of the agent's motives and may be inclined to change agents:

> [Prospective Purchaser] We had been dealing with this other real estate agent who wasn't listening to what we wanted. She wasn't showing us houses in the area we wanted. We told her we had to have four bedrooms, it didn't matter whether two were up, two down, it didn't matter. We needed a bungalow, she wasn't showing us bungalows, she wasn't showing us four-bedroom houses, she wasn't showing us houses with a separate dining room, which was also important. She was not listening to anything, and I mean nothing. She never once showed us a house that was what we were looking for. So when my daughter's girlfriend's father came around, we thought, "Well okay, fine, we'll see what he does." [I-43]

As Prus and Sharper (1991;167) suggest, "disenchantment," in itself, is not likely to promote disinvolvement. However, making contact with someone providing more attractive options (in this case, another agent) seems to have put the finishing touches on the previous agent-customer relationship.

Besides being inattentive to the prospective purchaser's interests, directing them to the agent's own listings, especially if they are unsuitable, can be detrimental to continuity. This was the experience of the following prospects, who eventually

disinvolved themselves from the agent:

> [Prospective Buyer] We had seen a home about a month and a half ago, or so. We were sort of interested in that particular area of town. The realtor there seemed quite nice at the time. So she followed up with us and she sort of said, "What type of homes were you looking for?" Anyways, she gave us a list and started phoning us and saying, "I think this is the type of place you want," and all this sort of thing. And as we went from one place to the other, the basic things that we had told her we wanted, were not. But what she was really doing was showing us her listings where she'd be making the most money, and I just thought, "Don't waste my time!" Like we were quite specific. We told her the size of home that we wanted, the types of rooms that we wanted. We told her we wanted a livingroom and a finished rec room or family room, but something finished. She was showing us places that had no second family room. You know, we were specific. We said, "These are the things we want." And two bathrooms, but she didn't show us anything like that. So to me that's the wrong way to start with someone. Yes, I can see showing you their own listings if they meet the specifications, and then if they don't, go to another company's listings that meet the specifications you want. But don't show me things that don't meet any specifications at all that we're looking for. [I-35P]

Another purchaser echoes a similar experience. She was looking at homes with a real estate agent who was, prior to their involvement, an acquaintance of hers. Over time, she became frustrated with his insistence on repeatedly showing her unsuitable properties. She came to the conclusion that he was trying to direct her to his own listings and discontinued working with him. It was obvious to her that his interests took priority over hers:

> [Prospective Purchaser] A lot of it is trust. Now another experience that I had. This was when the place on (street) was on the market before and we were looking for another place. The agent, we told him what we wanted, and he kept taking us to ones, that after we'd been through them, we thought, "Like why are we here? This isn't anything like what we want. Like we don't want to see this house type of deal. This isn't anything like it." I think that real estate needs to understand

> what you are looking for and not waste your time with a lot of garbage. For some reason or other he felt that they were what we were looking for, but they just weren't. They were nothing near what we wanted. Like they might have been his listings, or friends of his listings, but they weren't what we were looking for. [I-66]

When agents represent both buyers and sellers, they are in an ambiguous situation. They are supposed to act in the best interests of the vendor who typically pays the commission, yet follow the instructions of the purchaser, at the same time. In addition, purchasers expect agents to look out for their best interests. Depending on what transpires, someone, either the vendor or purchaser, or possibly both, may become suspicious of the agent's motives, unless, of course, a deal which is satisfactory to both parties has been struck.

One purchaser was uneasy about submitting an offer for a property through the listing agent whom he suspected was "favoring the vendor." She was adamant that he offer close to the asking price. After the offer was rejected, he chose to look at homes on his own rather than with her, until he met an agent whom he felt he could trust to act on his behalf. It was through that agent that he submitted an offer on the home which he eventually bought:

> [Prospective Purchaser] And that was one of the reasons, in retrospect, when we decided not to buy that particular home, that I stepped away from it, because it struck me as a self-serving situation. In fact, serving the other people more than she was serving us as far as I was concerned, and that's the other reason why I stepped away from her, as an agent. [I-13]

When agents suggest "higher price ranges" than buyers feel they can comfortably afford, buyers tend to become suspicious of

the agent's motives. If the agent persists, the buyers may seek out another agent. Alternatively, if buyers get the impression that there is nothing suitable in their price range, they may simply suspend looking until they can afford a more expensive home. Either way, the agent is likely to be the loser.

The buyer interviewed below discontinued looking with her agent when he insisted she could not find anything suitable in her price range. She did, however, find a suitable property, privately, well within her price range:

> [Prospective Purchaser] I bought this privately. I first of all went through a realtor, someone that my father suggested, because he knew the man. So I went out with this man and I told him the price range I was looking for. At that time, I ended up buying this place for $76,500. But I was looking for anything under a hundred, then. Anyway, I went out with this fellow, and this fellow drove me around town and told me I couldn't get anything in that price range that I was looking for. And he showed me all his listings, and his listings were awful. He was an independent. I was a little disillusioned with the realtor at that time, already, because, like I said, he must have taken me around two or three times and just showed me, again, what I wasn't looking for.
>
> And, like I said, there's got to be a place out there that's a starter place, that's low maintenance, because I'm a single person and I work a lot of hours. At that time I didn't want anything where I had to come home and put a lot of work into a place. And it was either a condominium or if there was some sort of semi-detached, or whatever.
>
> Single homes were really out of the picture as far as I was concerned, because anything nice would have been well over that price. And I didn't want like the quote "handyman special" because I'm not a handy person. So anyways, he was showing me wartime homes, and nothing was close to what I had asked him to do. But he kept telling me, "Well there's nothing in your price range. You're going to have to go up to a hundred and twenty, or so." So anyways, I was just kind of a little depressed, and I was a little naive, and I thought, okay, that's fine. I'll just lay low on looking for a place for a little while. [I-35P]

When vendors agree to list their home with an agent, there frequently exists in their stock of knowledge certain taken-for-granted expectations of what agents will do to market properties. Typically, they expect that agents will advertise the homes they list and hold open houses. In some cases, agents make explicit commitments regarding their marketing strategies, and that usually involves advertising and/or holding open houses. Rarely, though, is a copy of the agent's marketing plan given to vendors. Agents, who give vendors the impression that they are going to do a number of things to market their home (in order to get listings) and fail to do all of those things, may well lose those listings if they do not sell.

While the vendors below were trying to sell their home, privately, an agent approached them and apparently showed them a list of what he would do to sell their home. Once he listed it, they claim he "disregarded his commitment" to them, doing little more, from what they could see, than putting a for sale sign on their front lawn. The agent apparently indicated to them that their asking price was too high. "Withdrawing services" may have been the agent's response to their refusal to lower their asking price. When the listing eventually expired, they refused to relist with him and resumed trying to sell it privately:

> [Vendors] {Son:} We had the sign up, our sign, then this guy came to the door this one night, just about this time, and said he was real estate. We said we wasn't interested. He said, "Well can I come in and talk to you?" So he talked mom into signing up the deal. Well, he might as well talked to that brick wall for what was done. {Mother:} Nothing. {Son:} Nothing was done. But you know what, that guy still has the nerve to come here,

> and "Don't you give that listing to anybody else!" He was only here yesterday. {Mother:} Sitting where you are. "Now don't forget, don't you give the listing to anybody else". {Son:} How can you though, give that listing to a guy like that? {Mother:} But he was saying it as he was going out the door. It's just as well as he was going out the door.
>
> {Son:} He is not what we would call what we know as an agent. He is a contractor that works for a real estate company {son}. {Mother:} We didn't know this either till after he had got the listing. {Son:} That, to us, is not right. He give us a list of what he's supposed to do, but that doesn't mean anything. [I-45P]

When agents are "reluctant to do advertising or to hold open houses" and the home does not sell, vendors will likely suspect agents of conserving their own resources and waiting for someone else to come along and sell it. Should the vendor reach the point of asking or telling the agent to do these things, then the relationship is likely in some trouble. That's what happened in the following case, and eventually the listing was withdrawn. Normally, this agent, a high producer, avoids doing open houses. However, he usually explains his reasons for not doing so to his vendors. Nevertheless, these vendors interpreted his reluctance to do so as "disinterest":

> [Vendors] {Husband:} The first couple of months, he really did nothing. He didn't advertise it, no open houses, and if he did have an open house, he did it on a Saturday. I don't know, most people don't seem to look at homes on a Saturday. He didn't really push the home until we put an offer in on this one. Then, for two months, he worked his heart out for it, open houses two times a week and lots of advertising. We felt earlier advertising might have brought an earlier sale.
>
> When we did finally put the offer on the house we told him the only way we would put the offer on is if he did start doing some advertising and open houses and stuff. Because I wasn't going to put an offer on this home and let him just throw the sign on the front yard on the other one and let it sit there. That's when he agreed he would do it.....

{Wife:} He really had no interest, I don't think. {Husband:} He did it because I told him, "Let's start having open houses". It seemed like he showed up on a Saturday, "Well I got to be somewhere Saturday, I might as well sit here and do my paper work." I don't know, his heart wasn't really in it. [I-23]

A second common complaint related to unfulfilled expectations which can be displeasing to vendors is the agent's "reluctance to follow up on showings." When prospects view a home, the owners like to know what they think of it. Listing agents, who do not check back with other agents who show their listings and provide feedback to their vendors, may give vendors the impression that they are simply waiting for someone else to sell their homes.

After noticing the excitement expressed by a couple who viewed her home, one vendor called her agent back a day or two later wondering if an offer was on its way. She was shocked to hear that the agent did not know anything about it. Apparently the purchasers could not meet the vendor's closing date, and, therefore, assumed it would be fruitless to submit an offer. Now an alert agent would not normally let a potential sale slip away when the only apparent obstacle was the closing date. The vendor, in this case, prompted the listing agent to call the purchaser's agent with the information which made the deal possible. She (vendor), instead of the agents, engineered the sale. This destroyed the trust she had in the agent and the relationship as well. When it was time to move again, she elected to list with another real estate agent:

[Vendor] I had an agent come through, brought a couple, and I knew just by the way they were talking that they liked our house. So when I didn't hear nothing the night

> before, the following night I phoned up the agent and said, "What's going on here? How come they never called back? I knew they were really interested." She said, "I don't know." So I said, "Phone and see why." So she phoned up and then she came back with it. I said, "Tell them to sign as one, put the dates on when they want it to close, depending on what the dates are, we can work around it." And that's what happened.
>
> I was pissed off. Like I'm thinking, "Why aren't you calling, checking it out?" I was maybe naive, too, because I just thought that people were calling. They were getting hold of the agent's company, a phone number or something. So how come they're not taking the name of who called me? Did they come in, call them back? Did you go in? Nothing. I was disappointed in that. And when the same people that I knew liked my home saw it, I'm thinking, "If I wouldn't have called you, we wouldn't have had a sale." And we could have been longer after we signed for this house and ours wasn't sold. To me it was a little bit cocky messing around with our money. [I-2]

Most vendors, when listing with a particular agent, expect the agent to push their property and to somehow manipulate prospects into buying it. They, consequently, usually expect their agent to bring his or her own customers to see the property. This can be a really awkward situation for agents because prospective purchasers may become suspicious of agents who show them homes which do not meet their specifications, or that are outside of their price range. Their distrust will likely be heightend when the unsuitable property is the agent's own listing. Yet vendors often wonder why other agents are showing the home and their own agent is not. Perhaps this is why, as House (1977) discovered, that agents sometimes bring relatives or friends through to see their listings in order to give vendors the impression that they are actively working at selling their property, rather than risk losing good prospects by doing so. It's a delicate situation for an agent, but when a property is not selling, somehow the listing agent may feel

pressured to show it to his or her own prospects in order to maintain the vendor's trust and loyalty:

> [Vendors] {Husband:} He called up and wanted to know if we wanted to relist it, and we said, "No"! {Wife:} He hadn't brought anyone out to see the place, so he kind of knew we wouldn't be listing with him, again. Nothing had happened in three months. You want somebody that's going to move. [I-42]

A second vendor, who withdrew the listing, relates a similar experience. He had numerous complaints about his agent, one of which was the agent's lack of motivation. Essentially, he was critical of his agent for not showing his property to his own customers, suspecting, instead, that the agent was waiting for someone else to sell it:

> [Vendors] {Husband:} Any of the activities that happened up until he started having open houses was not through him. It was other agents. He never brought anybody through himself. Like you get other agents that look through the book and they say, "Hey this house is right for whoever," and they'll phone up their client and bring them through. But he never did bring anybody through. Even afterwards he never did. The only time he had people interested is when he had people that walked in off the street during an open house. But he never did have one of his clients per se that he would say, "Hey, I got a house that's nice for you. Let's go over there Tuesday night and have a look at it." He never did that. [I-23]

Twice, I've encountered vendors who became disenchanted with their agent for taking the listing and then "taking off for an extended vacation." Vendors see the listing agent as having a vested interest in their property. They don't see substitutes as having the same interest as they do not stand to earn the same commission. Vendors expect the agent to be working at selling their property and when they, themselves, are not available to

service the listing, vendors may interpret that as an "unfulfilled obligation." To the following vendor, it was a violation of trust:

> [Vendor] I've owned three houses in this city and I've purchased out-of-town one time as well. None of them are as good as you think they're gonna be when you first list. One time when I was gonna sell, I listed through a friend, which was a mistake. I don't know, I guess you have more expectations from them than is real. You think because you're a friend, they're gonna do all these marvelous things. Well, you know, reality isn't quite like that. I ended up getting quite upset and listing with someone else after the term was up. Like they didn't sell it in the three-month term and I listed with someone else. I felt he let me down somehow. He listed and then he went away for a month, and left us in the hands of somebody else. It wasn't their listing. They weren't getting the commission so they really didn't care. That's the way I perceived it. [I-66]

The failure of agents to keep in touch with their vendors, even if nothing is happening regarding their home, can be detrimental to the relationship. When a home is not attracting potential buyers, vendors often evaluate their agent's performance by comparing them with the services provided by other agents working for other vendors.

Learning from her brother about the regular feedback provided by his agent in the sale of his home, the following vendor came to the conclusion that her agent was not doing very much to sell her home, even though she admitted it was priced too high. After the listing expired, she listed it (albeit at a lower asking price) with the son of the agent recommended by her brother:

> [Vendor] The house was originally listed with a woman at (company name). I told her I'd go back with her at the time the listing expired, if I decided to relist it. But she was as useless as tits on a hen. Mind you it was a way overpriced.
>
> He (next agent's father) sold my brother's house and he was happy with him. Mind you my brother had a

> beautiful house up in the north end. But he told me all the things his agent was doing to sell his house (providing feedback) while my agent was doing none of that, so I just waited for him to call. [I-72]

Unfulfilled obligations also encompasses "disregarded agreements." Roznaczuk (1984) discovered that "disregarding agreements" was a trust violation leading to disputes between individuals. Disregarding agreements can lead to distrust in virtually every setting. Hayes-Bautista (1976), for example, also discovered that health-care practitioners sometimes terminated patients due to "non-compliance." Disregarded agreements implies that one party cannot be trusted to fulfill their agreed upon obligations to the other party. Should this occur, the relationship may be in jeopardy.

While not a frequent occurrence, some vendors have security concerns and may insist that their agent be present when the house is being shown by other agents. It is an awkward situation, but sometimes circumstances such as estate sales or pets on the premises make it necessary. In any event, the following vendors had an agreement with their agent that he be present when agents from other companies were showing the home, mainly because the husband had confidential papers pertaining to job bids laying on his office desk. When their agent was away on vacation, the agent covering for him gave the key out to someone from another brokerage firm and the house was shown without the accompaniment of the listing representative. Even worse, the prospective buyer had a structural inspection done without the permission of the vendor. The inspector apparently turned the thermostat off leaving the home

without heat during the wintertime. This, coupled with the listing agent's apparent negligence in not informing the agent covering for him that he was to accompany showings, was construed as a trust violation by the vendors. These types of blunders contributed to the agent later losing the listing:

> [Vendor] {Husband:} We thought we could trust him. It started when he had people going through the house without him. We have an office in the basement, and there are confidential things because we do a lot of bids. Sometimes if I'm doing a bid, I don't know what's going to happen. There could be somebody from one of my competitors say, "Hey, that house is for sale, I'd like to have a look." And go through the house and see something lying on my desk. I tried to make it a point that nothing was left on my desk for that whole period. {Wife:} We were at work and he had somebody show the house. {Husband:} We trusted him to go in there and it had to be him that went in with the people. And if it was someone from a different company, he had to go along with them. If it was someone from the same company, then he could give them the key. But if it was somebody from a different outfit, he had to be with them. It's something that we agreed upon right at the beginning.
>
> And somebody else was in to look at the house and they gave the key out to another outfit for somebody to go in and look at it, because I guess the guy that took his calls didn't know this arrangement we had. And they called me back and said, "There's something wrong with your furnace." I'd been going over there almost everyday to check the heat. It's something we have to do for insurance. I went over there and everything was fine. There was no noise at all. And then the next time I went back I realized that it was minus twenty degrees outside and walked in the house and it was plus three. I walked downstairs and the furnace switch and everything was on. Went upstairs and the thermostat was turned off. Here they had a mechanic in, somebody to check out the mechanics of the house. And while the guy's working on it, he turned it off. [I-23]

Doubting Competency

Just as Hayes-Bautista (1976) found that patients changed health-care practitioners when their remedy for an ailment proved

inadequate, and Regehr's (1982) mechanics lost customers when they failed to repair their vehicles properly, real estate agents also lose customers when they "make errors" which result in their competence coming into question. Given that there is a lot at stake in finding and buying the right home, once a desirable property is found, it can be devastating to buyers if they fail in their bid to acquire it. If their agent causes them to lose it, it will likely be threatening to the relationship.

In the case which follows, the buyers had special needs and had been looking for some time for a suitable home. Given that there are not many homes with sufficiently wide hallways to maneuver a wheel chair, when they found one, there was an urgency to acquire it. The agent, with whom they had been looking, may have cost them the deal by arriving late for a multiple offer situation. She refused to submit a handwritten offer, even though she knew the other offer was forthcoming and the listing agent requested that she do so. She apparently went back to her office, had the offer typed, and arrived an hour late only to find that the vendors and listing agent had accepted the other offer:

> [Prospective Purchaser] We found the house. She never found us anything we wanted. Anything we liked, we found ourselves. And, we didn't get that house because of her. We looked at a second house, we said, "Well if we don't like that one, we're gonna put an offer in on this one." Fine, saw the second house, she came back to our house, she wrote up the offer. You don't have to have an offer typewritten. She insisted on getting it typewritten and in the meantime, by the time she got the offer to the house, somebody else had come in with an offer and they'd accepted that offer. So we didn't get that one.
>
> She represented us on just the one, and we found that house. I saw it on the Homes Plus Network. It actually wasn't too bad, but the hallways were rather

> narrow. I said, "I found a house on the Homes Plus Network. Show it to us!" Because I was, I think, doing more looking for homes for us than she was. She insisted on typing it up and she typed it up about six o'clock that night. She didn't get the offer in to them until ten. There was another offer coming in and it came in. She was just late and they were holding off looking at that offer until she got there. And I think that they were just so ticked off that she made them wait, that they said, "Forget it! We're not even looking at that one." She was late. She was supposed to be there by nine o'clock. She didn't get there till after ten, because she told us to meet her there, which is unusual. And she called the other agent involved in this (listing agent) and said, "I have an offer coming in but I have to get it typewritten." And he said, "You don't have to have it typewritten. It's fine if it's written in hand. Just get them to sign it." Oh no, that wasn't good enough, so. She made a lot of mistakes dealing with us. I'm surprised she's still practicing, just because of all the mistakes, not listening to the client and doing stupid stuff like that. It's just ridiculous. [I-43]

This is also a good example of why they say "time is of the essence" in the real estate business. The listing agent is often very influential, and if the listing agent also represents the purchaser, chances are the agent will try to manipulate the situation so that his or her own offer gets accepted. Being late may have given the listing agent the ammunition to redefine the situation in such a way that the agent was likely not coming. Then, again, the other offer may have been a good one and the irrevocable time period may have forced the vendor's hand to act quickly.

Another young couple became suspicious of their agent's competency when she gave them "bad advice." After the agreement had been signed, the agent asked them if they would be willing to move the closing date up in order to accommodate the vendors. What she did not tell them, and what she likely never considered, was

that, by doing so, the buyers would have to pay additional interest on their mortgage. They were shocked when informed of the additional costs by the bank manager. Given that the change in closing dates was of no particular advantage to them, they were angry with the agent for not being sufficiently competent to know that the change in dates would affect their mortgage. Even though they liked her in every other way, it left them with reservations about using her when they next decided to sell (and they did not):

> [First-Time Buyers] {Husband:} Actually when we bought the house, {wife:} she really screwed up there. {Husband:} She made a mess of the completion dates. We had to pay the interests for two or three days or something, which turned out to be a hundred dollars which isn't a lot of money, but it's the principle that she made a mistake and it cost us extra money. {Wife:} What had happened was that the people that were here wanted to move up earlier the date (closing date) that had originally been set, and, us not knowing any better. The real estate agent called us up and said, "What do you think?" And we were in an apartment at the time, so it made no difference to us. We said, "Oh, that sounds great."
>
> But then when we went to the bank, the bank manager said, "Do you realize that that means that you are going to have to pay" whatever it is, the interest between those two dates, or something, which amounted to over a hundred dollars. And the real estate agent hadn't mentioned that.
>
> So we turned around and went back to her and said, "What about this?" "Oh, that's a little detail that you'll have to handle yourself." But I mean it was too late. We'd already changed the date. We were ticked off about it. I was ticked off, actually, I was the one that didn't want to go back to her a second time. But we liked her for everything else. She should have known that, and actually when we have mentioned it to other real estate agents, they've said, "She should have known that". {Husband:} It was only a hundred dollars, but say if it was two weeks or so, it could have cost us a lot of money. So that's one reason we weren't too sure about her the second time around. [I-50P]

Being Mislead

Given that agents are not structural engineers or building contractors, if they provide inaccurate information regarding the structure or quality of a home, this may come back to haunt them. In one case, the purchaser was told by his agent that the furnace was much newer than it was, plus his agent failed to alert him to the rotting floor joists, which later cost him thousands of dollars in repairs. When it came time to move again, he called another agent:

> [Purchaser] I wouldn't use him again. He mislead me on a couple of things. As it turned out, I think I knew more about the structure of a house than he did. A way back in the early eighties, the federal government had a program called CHIP, short for the Canadian Home Insulation Program, and what they did is they went around and subsidized insulation for houses, and then they put a sticker usually on the furnaces or duct work. They had a sticker on the furnace that was in here and the sticker was dated 1980. And when I looked at the furnace, I said, "Oh this is an old furnace." He says, "No it's not. Look, it says 1980." I said, "No, no, no, that's an insulation program that the government ran. He said, "No, that's the age of the furnace." And I disagreed with him and it wasn't really anything too significant, as far as purchase of the house, anyway. But I knew that he was trying to mislead me on that. So I was pretty disappointed in him. And, also this house has severe dry rot in the floor joists, and I've had to do extensive work on the floor joists. And when I bought it, I didn't know enough about it to even notice it. And anybody who knew anything about houses, should have pointed it out. Because I've had people in here since, before I did any work, and they said, "Oh My God, you'll never sell this house with a floor joist like that." There was six inches missing out of some of them. And if you cleaned the basement, one day, and then went down a week later, you'd see dust and wood chips all over the floor, from where the beams were just falling apart. [I-70]

After making an offer on a property conditional on inspection, the following prospects backed out of the deal upon learning that

the home had serious structural problems. They also backed away from the agent, who was also the agent representing the vendors, as they suspected that he was "covering up for them." Given that he had sold the vendors the home, and that they had already done some major repairs, the prospects deduced that he had to be aware of the defects and simply lied to them:

> [Prospective Buyers] {Husband:} The first offer that we put in when we were moving this time, that was the house that was sinking into a swamp. We went through the listing agent. We just went into an open house, liked the house, and put an offer in through him. And, I got the impression, afterwards, that he knew that there were severe problems with the house. {Wife:} He had to have known because he was the original purchasing agent these people bought it from. He knew that a condition of them getting a mortgage was them doing some restoration work. So he had to have known which doesn't say that much for him, cause he wasn't about to tell us. {Husband:} We asked him if there was any structural problems that he knew about, and he said, "No." {Wife:} Legally he might have said that because he knew these people fixed it. {Husband:} It was even obvious when I looked at it that there was something wrong with the garage, because it was on a slant compared to the rest of the house. It was not perpendicular. {Wife:} But we kind of thought maybe the bricklayer was drunk that day. Like, seriously, they drink on the job, let's face it, and we thought maybe {Husband:} he put the wall up crooked. {Wife:} That's a big give away when you're buying a house. If the walls are crooked, look closely at the structure of the building. [I-43]

After listing with an agent recommended to him by his long-time friend and former real estate agent (retired), the following vendor learned that the agent had charged him a commission of six and a half percent when the going rate is six percent. While the home did not sell, he felt the agent "took advantage of his trust," and, if anything, should have given him a break in commissions:

> [Vendor] When I listed last year, I phoned a buddy of mine who does not sell real estate anymore, but he was

> the original agent that sold me the house. He said, "Well I've got another guy with the company." So he came around and he talked to me and he said MLS six and a half percent. And I remember him saying that. I thought, geez, it used to be six, I guess it's six and a half, now. And it turned out he's having health problems. I mean, he didn't do a damn thing for it, because he was sick. So, once I got the other people in there (new tenants), I wasn't too interested in selling, anyway. And I think he was kind of ticked off with me for putting the other people in there. So, he didn't do a damn thing for me.
>
> This time, I found out that they cannot set a rate because it's then price fixing. This is what I was told. This guy that was recommended to me, in other words, I'm doing him a favor by listing the house, because he's nothing to me, gouged me, because the guy that listed it now, I wasn't prepared to pay six and a half, because I'd found out what the deal was. He said, "Our normal rate is six percent." And I said, "What about the six and a half?" And he said, "We'd never do that. The guy's a shyster." So the guy I listed with last year, I would never touch that guy with a ten foot pole again. [I-76]

The same vendor, a highly educated professional, also recalls how the real estate agent was encouraging him to take back a second mortgage. Feeling that he was knowledgeable about these things, this vendor was suspicious that the agent was "setting him up" in such a way that he could end up losing his equity in the property (to the amount of the mortgage) if the new owner was to default on the mortgage.

Some time after the listing had expired, he found another agent to put the home back onto the market:

> [Vendor] There was nothing, no action at all. In the meantime, he tried to sit there and amaze me with figures of how I could sell it to someone on a rent-to-own basis. I'm sitting there and I'm looking at him and thinking, now I've got an M.B.A. and your figures aren't matching. Because for one thing, what he's expecting me to do is to hold the second mortgage, to the tune of about ten thousand dollars, which, you sell it to people that can't afford the damn thing, they don't have anything in it, they trash the place and you're gonna lose ten thousand

> dollars. Because they're gonna walk away from it and the bank has got the first mortgage on it, you see. Like he didn't make sense, like I guess he was used to talking to people that are used to working with fingers. I'm a number cruncher. Anyway, I was just frustrated because I felt like he was talking to me as though he could run numbers past me and I didn't understand what he was talking about. I should accept them, and I started questioning it. So I said, "Like they don't add up (name)." Once I started pointing this out, he said, "Ah, well, you don't understand." "What do you mean I don't bloody understand? It's my money you're trying to talk about." So anyway, I was frustrated. [I-76]

AGENT PERCEPTIONS ON LOSING BUYERS

From the agent's viewpoint, showing homes to buyers can be both time consuming and costly, but since they represent commissions, agents do not want to lose them. Thus, there is an urgency on the part of many agents to secure buyer loyalty. Yet, maintaining buyer loyalty is a common problem within the industry. Relationships with buyers can be easily broken as buyers are subject to the influences of many different third parties (family members, friends, money lenders, other agents) and are often prone to changing their minds, not only about buying homes, but about particular agents. This section looks at real estate agents' experiences with losing buyers. Two ways agents see themselves losing buyers include: (1) leaving prospects unattended; and (2) failing to cater to all consequential parties.

Leaving Prospects Unattended

Letting serious prospects look for homes on their own can put the agent-buyer relationship at risk. Buyers will sometimes stumble

upon a property selling privately or, perhaps, an exclusive listing, and the agent will lose a sale. Equally troublesome, buyers all too often get persuaded by other agents at open houses to submit offers directly through them. Should buyers find a home they like, they are usually more concerned about acquiring it or about getting a better deal than they are about their agent getting paid. In spite of the risk, most agents encourage their prospects to look at homes without them, often providing them with printouts of properties available for viewing through open houses. They can only work with one buyer at any given time, or they may be committed to holding an open house at the same time prospects are available to view homes, so it may not always be possible to accompany them. The risk is lessened, however, if the relationship is on a solid foundation, but that is not always easy to achieve at the outset.

Agents are sometimes too hasty in their attempts to secure buyer loyalty. Asking buyers to work exclusively with them, prematurely, may alienate them. On the other hand, since agents try to steal customers from each other, or try to solicit offers from unaccompanied prospects viewing their listings, agents often experience an urgency to prepare their prospects for the recruitment attempts of other agents. Nevertheless, some prospects may not wish to commit to working with one particular agent.

On the other hand, where buyers feel that they are doing much of the work in the search for a suitable home, they may not feel obligated to go through the agent with whom they had earlier

contact. Some buyers also believe (or will be led to believe) that they have a better chance at securing a property or even getting a better deal when they submit an offer through the listing agent:

> [Agent] I've had them phone in tears, saying, "I'm so upset. I signed this offer today because the agent said I had to or else I wouldn't have a chance. And I should have phoned you, but I was just so flustered." [I-26A]

One buyer stumbled across a home she really liked at an open house. Given that she had been working with a couple of agents (husband and wife team), the buyer's son called the office to tell the agents what was happening. The husband of the couple team went directly to the scene, but the offer had already been drawn up and accepted:

> [Agent] We had been showing her houses and she was almost ready to buy one of them. She and her son happened to pass an open house. They dropped in, liked the place, and the agent wrote up an offer. The son snuck out, called (name) and told him what was happening. (name) raced over but it was too late. The agent already got her to submit the offer. She phoned several times to apologize and said she didn't realize what she had done. [I-80]

Another experienced agent also found herself in the same situation. She sent her customers out on their own to view open houses, and even though they gave the agent her card, he apparently persuaded them to submit an offer through him:

> [Agent] I had been showing houses to these people for awhile. They would go to open houses and show my card telling the agent that I was their agent. They went to an open house and found a house that they wanted. They handed the agent my business card and told them they wanted to make an offer. He said that he refused to share the commission with any other agent. He also said that there was another offer coming, and that if they were interested, that he would write up an offer then and there. He wrote up the offer and it was accepted. They contacted me and told me what happened. I went right over to see him. He said, "(name), I would never do that to

> you. They never told me they were working with you. If I knew, I would never have done that, not to you." I said, "Well if you didn't know, what is my card doing sitting in front of you on your desk?" [I-79]

The following recollections of a low producing agent best exemplifies how leaving prospects unattended to look for a home on their own backfires on the agent. She was a single mother, preoccupied with parenting, so she was often not available to show homes. Consequently, her prospects would go looking on their own, and when they found something suitable, many of them bought directly through the listing agent:

> [Agent] Buyers you want to keep in touch with them so they don't run off to another agent because people are very fickle. You know, if they happen to walk into an open house and this is the house of their dreams. Any real estate agent who is on the ball can sell them that house. I lost a lot of people that way, actually. Buyers that I had picked up, you'd call them on a Monday or Tuesday and just found out that they had just put an offer in on the weekend on some house that they, "Oh we weren't planning to buy then, we weren't even planning to go out looking at open houses." That really frustrated me with people. I suppose you have to have enough of a clientele-base that when you lose a couple, you win just as many. I found that very frustrating especially when you've worked months with people and you felt like their agent and they were going to buy. And not only did you lose a sale, but you lost a listing as well because they turn around and list their house. [I-18]

The experiences of the above agents indicates the importance of working closely with buyers. It is also consistent with the findings of Prus (1989a) and Angrist (1984) who both stressed the importance of maintaining close contact with prospects. When people are ready to buy and the agent is not around, it may very well be the case that they get the impression that agents either do not want to work for their money (let the buyer find their own home

and then the agent writes up the offer), or that the agent is willing to take the buyer out when it best suits the agent. Given that agents are usually working with more than one buyer at any given time, and may have to hold open houses for their vendors on weekends, the agent's time may be spread rather thinly. Typically, agents will take buyers out a couple of times, show them all the listed properties which appear suitable, and hope, by that time, to have secured their loyalty. After that, they encourage buyers to look on their own, instructing buyers to call them if something suitable is found. Doing it that way, however, can be risky.

Failing To Cater To All Consequential Parties

One of the problems agents may be confronted with is the third party who kills the deal (and subsequently the relationship). These third parties usually come into the picture at the point an offer is being contemplated. Some agents therefore recognize the importance of establishing who has the final say. With younger, first-time buyers, especially if their parents are contributing to the purchase price, agents may be interested in finding out what sorts of things are important to the parents, although this is not always easy to achieve. Contact with parents seldom occurs until a purchase is being contemplated. In fact, it is not unusual for first-time buyers to call upon a parent for their opinion, before submitting an offer, whether or not they are making a financial contribution.

The agent sharing his experiences below indicates the

importance of discovering who has the final say. In this case, it seems to have been the parents. Not having met them until late in the game, he was unable to address their concerns, and consequently lost the couple as customers:

> [Agent] I've enjoyed working with young couples buying homes. You have to find out who's got the money. My first year in real estate, I showed this young couple that I know forty or fifty homes, and when we got to the fortieth home, they finally decided to put in an offer. Then they brought in their parents to take a look at the home and then the parents didn't like the house. And then you had to go back to square one again. I didn't realize that the parents were supplying the bulk of the downpayment. The house had to be approved by the parents and when they see one house as opposed to the other thirty-nine, they just don't feel it's the greatest. You have to really establish who is the buying power, who is the dominant force in the marriage who's buying.
>
> Eventually I didn't sell them a house. They ended up buying a house from somebody else. It was a hard lesson to learn, but if you have to show that many houses to somebody, you obviously aren't in tune with what they're looking for, or they don't trust you enough as far as being their agent. [I-22A]

Other times, one partner in a marriage, for example, may be the dominant partner when it comes to major purchases or investments. Sometimes agents show properties to one of the partners, with the other accompanying them only occasionally, or when an interesting property is located. Pleasing both partners can be difficult, so it is especially important to discover who (if anyone) has the final say. This is what happened to me with one prospect. He moved to Canada from the United States and I spent several evenings showing him homes, more homes than I ever showed any other prospect. We looked at a variety of neighborhoods and housing styles. By the time his wife arrived, we had narrowed down the search. I hadn't even considered that there might be a

problem. However, when she learned that borrowing rates in Canada were much higher than in the U.S. (at the time), she was visibly upset and decided that they would rent rather than buy.

PHASING OUT BUYERS

When agents find out that buyers may be (1) uncommitted (to the agent or to buying), or (2) unreasonable (especially in regards to price), they may initiate disinvolvement. Most often they will do so by distancing themselves from the prospect and allowing the relationship to gradually dissipate. Occasionally agents will try to recoup their losses by "handing them off" (Hayes-Bautista, 1976) to another agent on the chance that the agent will get lucky and sell them something, in which case they will receive a percentage of the commission (referral fee).

Uncommitted

Agents may discontinue providing services to buyers when they suspect them of being "uncommitted" to buying through them. Essentially, agents believe some prospects may be taking advantage of them. They sometimes find that prospective buyers use them to show them homes, then buy one through another agent. Other times, agents show prospects homes and later discover that the prospects are either not serious about buying, or cannot afford to buy the kind of home they want. Most experienced agents attempt to assess prospects in terms of their commitment and weed out those whom they suspect are not committed.

Once the following high producer senses that a prospect may be looking with other agents, he confronts them. Unless they commit to working exclusively with him, he drops them. He refuses to waste his time and money on uncommitted prospects:

> [Agent] Well, a lot of people are very untruthful to you. They don't tell you that they've got a cousin or an uncle or an aunt that they have to buy from. They pick your brains and they pick everything you've got and get you to drive around, and then they take the offer in with him. This happens all the time. I'll come right out and ask them, "Are you working with another agent? Well then you should get this information from them." I tell them, right there. "They're the ones that are going to be making the money from you. Why shouldn't they do the work. If they don't want to do the work, you should find somebody else." That's exactly what I tell them. "If you'd like to work with me, fine, I'll find you a nice place. But if you're gonna be working with every agent in the city, well I haven't got time. I got too many other people that are loyal to me," which might be a lie, but you can tell them that. [I-34A]

Researchers studying romantic relationships also recognize the importance of "exclusivity" for continuing involvements. Merten (1996) found that junior high school students who were going steady were likely to break up when the expectation of "exclusivity" was broken. When one partner learned that the other was apparently romantically involved with someone else, the relationship typically would decline. Lauer and Lauer (1994) also found that "commitment" was an essential aspect of continuity among adults who were involved in intimate relationships. A decline in commitment is usually associated with a dissipating relationship.

Agents may also initiate disinvolvement when they sense that prospects are wasting their time. One agent spent a lot of time working with what, in her opinion, turned out to be a bad prospect.

Suspecting that she had no intention of buying a home through her, she suggested that the prospect look for another agent:

> [Agent] I took this woman to see this house for the second time. It had been rented and the tenant, before leaving, wrecked the place. There were holes in the walls and the place was a mess. She saw it and thought it had potential. I then took her back with a friend of hers who was going to assess the cost of repairs. He felt it had potential, that there was no problem repairing it, and that it would cost between $3000 and $5000 to do so. We must have spent 2 hours going through the place. Then she said, "Let's get out of here. I don't want to spend another minute in this place. I cannot stand this place." I said, "Lady, go find yourself another agent!" [I-77]

A common indication that a prospect may not be committed to buying is when the prospect refuses to be qualified by the agent, or prequalified through a financial institution. Agents who work with these prospects often find out, later, that they are wasting their time. This is what happened to the following agent. He eventually discovered that the prospect with whom he was working, quite extensively, could not afford to buy any of the homes he had been showing him. He led the agent to believe he had been prequalified by the bank, but refused to show written proof. While the agent had his suspicions, he gambled on working with the prospect, only to have his suspicions confirmed long after he had invested considerable time into their relationship:

> [Agent] You get bad vibes. People who say they want to look at a certain range of house, they haven't been preapproved, they won't go for preapproval. As soon as they won't go for preapproval, I try to get rid of them basically, because they've got to be hiding something. Preapproval doesn't tie them down. I make that very clear to them. I find most people would rather go and get preapproved at the bank rather than me doing it, with them. Although I have done it and said, "Well you likely should be okay," or whatever. But, I'm not the financial expert. And when they go to a bank, and they've lied

about the car loan, or whatever, they find that out. I can't really find that out. Rather than waste everybody's time, I really try to get them preapproved first. So if they won't do it, then I pretty well try to cool off and not work with them. Also, if during the discussion, someone suddenly, as has happened to me in the past six months, revealed that they had gone bankrupt, and they had just been discharged like two and a half months before, all of a sudden, and we had been working looking at houses, and he hadn't told me that. He told me he was preapproved. He wasn't. And as soon as I learned about the bankruptcy, I cooled right off with him, because I knew he wasn't likely gonna get the money anyway. And we were looking at a lot of stuff. So we were wasting a lot of people's time, his and mine, and of course the vendors. [I-61A]

High producers are less likely to fall into the trap of working with "dreamers" (buyers without resources). Most will insist upon prequalifying the prospect at the outset. However, these relationships don't always unfold according to script. Even high producers occasionally gamble, and at some point further along in the relationship, realize that they've lost. The prospect cannot afford to buy:

[Agent] I'll be extremely hesitant to work with a buyer if he won't let me prequalify him. I just say, "You want to get in my car, then I want to know what you can afford." I almost give them a lecture. "Like what are we going shopping for if you really, really don't know if you can afford this?" And, so to speak, investors. I find they have big dreams and no money. So, I question them pretty heavily. They're done. I mean, they're wasting my time, so, "goodby!" I just don't call them back, and they could care less, because a lot of them, too, once you're in this business long enough, you know. I've run into some people where I've taxied them all over the place only to find out that this is their part-time entertainment. They have no intentions of buying. They have no money. So, I don't need to say anything. You pick it up during conversations. You start talking, you start putting pieces together. And, like why are they so rebellious to be prequalified.? So things like that, you start to pick it up. [I-30A]

Being Unreasonable

Roth (1974) discovered that patients who made "unreasonable requests" of doctors for home visits were likely to be unsuccessful. Based on the shared experiences of other patients, it was anticipated that doctors would get annoyed at them if they asked for too much time away from the hospital, making further negotiations difficult if not impossible. In other words, asking for a long pass might result in no pass. Asking for a shorter pass would more likely be met with success.

Similarly, with real estate negotiations, buyers who low-ball vendors are likely to be unsuccessful. Vendors may become offended, making further negotiations difficult. Inexperienced agents eventually realize that buyers who insist on making low-ball offers, generally, turn out to be a waste of their time. Experienced agents spot them more quickly and usually phase them out.

One agent expresses her frustration with showing a particular customer places. He was a university student whose father was financing him. In the earlier stages of their relationship, he seemed to be making excuses for not submitting an offer. Eventually he started making offers, but they were too low given that it was a hot market and vendors were usually getting close to what they were asking (assuming properties were priced close to similar properties). Realizing that it would be difficult to acquire anything for him if he continued to make low-ball offers, she confronted him and ultimately lost him as a customer:

> [Agent] He's made two offers so far, but they were both low-ball. Like he offered $60,000 on a condo listed at $69,000. I'm just going to tell him that I won't accept any more low-ball offers. His father told him to go in low, and that's what he's doing. [I-84]

I also dropped a prospect who insisted on submitting low-ball offers. He asked me to show his wife certain properties which they had selected from my MLS book. I ended up chauffeuring the whole family to look at homes. The fact that even the prospect's children knew how to use the MLS book better than I did, combined with his nonchalant attitude regarding the choice of a home on which to make an offer, made me suspect that they had been working with other agents. When he asked me to submit an offer on a new home which was $20,000 under the asking price, during a hot market when builders were getting their asking price and sometimes more, and he indicated to me that he was adamant about not going any higher, I refused and suggested that he find another agent. It was clear to me that working with this prospect would be nonprofitable. Rather than waste my time, I decided to do what I assume others had done before me, that being, to decline his invitation to work together.

DROPPING VENDORS

Rarely will agents take the initiative to withdraw a listing. It is usually the vendor who requests a withdrawal or relists with another agent. However, when vendors are suspected of trying to cheat agents out of their commissions, agents are more likely to withdraw their services (hold on to the listings but not work them)

or to refuse to list their properties in the future. Some agents claim to have had experiences with building contractors which lead them to believe that many of them cannot be trusted. Some builders will give the agent one or two listings and try to capitalize on the real estate agent's advertisements and open houses. Typically, the builder will conduct an open house at the same time the agent is conducting one and offer prospects a better deal on the unlisted home. I, myself, had that experience with a builder. Finding that other agents had similar experiences with him, I decided to withdraw all advertising and stop doing open houses for the remainder of the listing period.

One high producer, who has considerable experience working for builders, typifies the kinds of experiences many agents have when working with them:

> [Agent] I had one (builder) for probably about four years. And two years out of the four, I hated every minute of it. I fought all the time. I was always fighting for the purchaser. I was always fighting about something. Because, they (builders) get stingy, they're not selling enough. They get greedy. They want all your commission. And they're all alike. It's awful. Most of them are awful. I shouldn't say all of them, but most of them are awful, especially when the market dies. I mean they're sitting with four or five houses up. I mean that can kill you. And they count on me. And if I'm not selling it, they're out there trying to sell it, and they're selling it behind your back. And I mean you stood there all weekend. I mean it just goes on and on and on. [I-62A]

A second agent echoes a similar experience with a builder. Finding the builder "directing traffic to his unlisted properties," the agent presented the builder with an ultimatum, either list all the properties with him or none at all. The builder refused to

comply and their relationship came to an end:

> [Agent] I had five homes listed with one builder, and we were running open houses on it, and we sold four of them. But he also sold four or five from our open houses. And it got so I couldn't get other people to run open houses for him because he was there. I told him, "Either list the whole subdivision with me, or none!" So I didn't get any.[2] [I-34A]

When confronted with a condominium owner he began to define as untrustworthy, another agent decided to end the relationship. While he initially listed all of the units, he decided to cancel the listings when he discovered that the vendor was "trying to cheat him out of his commission" as well as "making misrepresentations" to prospects behind his back:

> [Agent] I didn't trust him from the first day because the first day I went in there to sign up thirty-eight listings, I had thirty-eight listings all written up waiting for him to sign. He only wanted to do two or three of them. Right away I knew, this guy I'm going to have to watch everything he does. In the end he had to sign thirty-eight, because I made him sign all thirty-eight. And it's a good thing I did. Anything that sold, if I didn't obviously have him down on paper legally, he wouldn't have paid me. I mean it was a good thing because the two I sold wouldn't have been two of the three that he probably would have listed with me.
>
> I went away on a holiday and when I came back I decided that I didn't want it anymore. The main reason I didn't want it was I didn't like the guy who owned the building. And it wasn't a power of sale situation yet. It was just that the bank wanted me to help him. But I didn't like him at all. So when I came back I told him I didn't want to have the listings anymore. It's the first time I've ever done that. But I felt good about it in the end because when my two deals closed, he didn't want to pay me. I had to threaten him with lawsuits and that to get paid. So I obviously had the right feelings

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[2]Hayes-Bautista (1976) found that "confrontation" was one style of termination in patient-practitioner relationships, a style utilized here by the agent. In this case the agent presented an ultimatum to the builder which backfired and resulted in the loss of the relationship.

about the guy and made the right decision. I didn't trust him. He lied to me a couple of times and he lied to customers.

I guess the big thing that bothered me is that he had his own people who lived in the building who sold them and I knew he was encouraging them to mislead people who came into the building regarding taxes and things like that. That's why I told the bank that I didn't want it. I was afraid if I continued to deal with him, I'd end up in a lawsuit someday. [I-24A]

CUEING IN TO REJECTION

[Prospective Buyer] Whenever she called, we just didn't show any interest. We told her it was totally wrong the last place we went to, and I'm sure she overheard us on the way out. Not a nice way for me to do it, but I just told (name), my husband, I said, "This is the last time we're going out to see anything that (agent's name) is going to show us." And, I'm sure she heard, because after that point, we maybe have gotten a few mailings but we haven't gotten any phone calls from her. I knew it wasn't the nicest way to do it, but I just thought, if she was gonna be sending us out on wild goose chases, I wasn't gonna be the most polite person to her either, because she was really wasting our time. And it was becoming a nuisance. [I-35P]

Rarely is an agent told directly what he or she did or did not do which resulted in buyers and/or sellers terminating the relationship. Most of the routes to separation are aimed at avoiding confrontation or sparing the agent's feelings. Agents usually have to read the cues the (prospective) buyer or seller is giving off. Three routes to involvement identified in this study are (1) avoidance, (2) confrontation, and (3) hand-offs.

The reader should also be reminded that relationships are processual in nature. They are built up over a period of time and participants tend to evaluate them following each subsequent contact. They tend to vary in intensity, frequency of contact and

openness. In some cases, one party (typically the salesperson) may see themselves having or building a relationship with another party (prospective vendor or purchaser), while the other party (prospective buyer or seller) is acting "spuriously" (Lemert, 1962) and is really trying to disinvolve themselves from the aggressor (salesperson).

Avoidance

In the real estate setting, one of the most common ways prospects let agents know their services are not required is through the use of avoidance. Roznaczuk (1984) found that "avoidance" was one means of altering one's own behavior in order to prevent interpersonal conflict. Avoidance may involve physical or social distancing.[3] Hayes-Bautista (1976) uses the term "fade-out" to describe situations where patients simply do not return.

Typically, an agent starts working with a prospective buyer and then has trouble getting hold of him or her. The agent leaves messages for the prospect but his or her calls are not returned. Suspecting that he or she is being avoided but not sure if the prospect received the message or if something else could be wrong, the agent continues to call the prospect. When finally reached, the agent learns that the prospect has already bought through

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[3]See Lemert (1962) and Lynch (1983) for more detailed accounts of people using "avoidance" in their dealings with persons displaying symptoms of "mental illness," Goffman's (1963) statement on the use of avoidance by persons possessing "stigmas," and Petrunik and Shearing's (1983) findings regarding "stutterer's" use of avoidance in managing their relationships with others.

someone else, is looking with another agent, or that he or she has changed his or her mind.

The following informant provides an example of the kinds of experiences he has had with losing prospective buyers. They'll often be difficult to reach and they'll be reluctant to return the agent's phone calls:

> [Agent] Either I didn't qualify them properly, getting them to understand what I need in terms of commitment, or they've directly lied to me. That happens. Normally they'll be unavailable and I'll always know what's happening, because they won't return my calls. Suddenly I'll catch them at work or at home and, "Oh, yeah, we've been meaning to call you. Two or three weeks ago we bought a house." "Goodby!" [I-32A]

Another agent, upon discovering that the prospect she was working with was looking at homes with other agents, while, at the same time, was getting her to submit low-ball offers on a number of properties, decided that it would be fruitless to try and pursue him any further. Both parties may have elected to let the relationship simply "fade-out":

> [Agent] I eventually gave up on him. He was working with a number of agents, anyways. He kind of floats throughout the community. He's probably worked with just about every agent in town. I felt very nervous about him as a character. I mean he is a wealthy man but it's taking advantage of people very unfairly. We put a number of offers in on properties. His philosophy on buying a house was, "There's always somebody out there desperate to make a sale." And it was his goal to find that person. Whenever he saw a property that he liked, he'd put an offer on it. I just stopped calling him and he didn't call me. [I-18]

Providing an "excuse" is also a way in which buyers or sellers invoke social distancing. Lyman and Scott (1970:406) define "excuses" as "socially approved vocabularies for mitigating or

relieving responsibility when conduct is questioned." Aggressive agents often try to secure listings by getting prospective sellers to promise that they will list with them. Sometimes it works. In other cases, the vendor, having difficulty dealing with an overpowering agent, elects to go in a different direction, invoking excuses to cool out the agent.

Discontent with what their agent was showing them, the following buyers tried to discourage her by "making excuses." This was the first strategy employed by the prospective buyer in order to avoid confrontation. However, it never worked:

> [Prospective Purchaser] She'd call and I'd put her off, and she'd call and I'd put her off. "Ah, sorry. Gee, no I don't think I want to look at that house." Or, "Drop me off the computer print-out and I'll take a look at it, and I'll tell my husband. Oh we can't come that night. We're too busy." You know, I'm not very good at confronting people with, "You're a rotten real estate agent. Don't bother me anymore!" [I-43]

After setting up an appointment to draw up an offer on a property, the following agent had difficulty getting hold of the prospect on the day they planned. When he finally did, the prospect used the "excuse" that he had changed his mind. He didn't know what to make of this, but learned shortly after, from a mutual third party, that the prospect bought an identical property in the same condominium complex through another agent:

> [Agent] When you and I were doing a course together, we did our exam and I was going to show a house. The guy was from (a nearby city). I was going to show him a house in (this city). I had already shown him on the Thursday. Told him I had an exam, I was studying and so on. He said, "Well Saturday's fine with me." And he lived in (that city). And I said, "Well I'm gonna be writing an exam. Why don't I come to your place Saturday. We'll do the paper work." "Fine."

So, right after course I called him. I couldn't get an answer. This went off and on for the whole afternoon. When I finally got a hold of him, he said, "Oh I've changed my mind." I didn't know this guy well. He's living in a townhouse. "What do you mean you've changed your mind?" He said, "I just changed my mind." So, you know, you just try and say, "Well, if I can help you in the future" and that kind of thing.

But then, a week later, a friend of mine who made that contact for me in the first place, said, "You got scooped you know." "What do you mean I got scooped?" Well he thought, in this townhouse complex, there were two or three other houses. And, on the Saturday morning, he had to come up to (this city), even though he was meeting me at noon, he was up early in the morning. And he went by and pulled into that complex again. There was another sign there and he decided he'd call that number on that sign, which he did. The guy went up and showed it to him right away. He put in an offer on that one, instead of the one we were going to, immediately, with that guy. And the guy told him. He said, "Well I'm working with (name)." He said, "Well don't worry about it. I know him. He'll get the commission for it. Don't worry about it." He actually said that to him.

When I did make contact with him after learning that, he said, "Yeah, that's what he did tell me." So, in other words, that was another real unethical thing to do. My customer swears he tells him he was working with me. He wasn't the brightest man in the world. And in the meantime when he said that he changed his mind, whether he had talked to someone who said, "You know, he won't get the commission for it." So he was embarrassed or what, I don't know. But that was a real dirty deal. [I-61A]

Prospective vendors may also be faced with the problem of avoiding agents who are trying to get the listing and won't take no for an answer. The following agent was attempting to acquire a listing from someone trying to sell privately. She pressured him into promising her the listing should his efforts to sell privately be unsuccessful. It is apparent, however, that he was trying to avoid her. When she finally caught up with him, she learned that he had already listed with someone else. Upon confronting him, he used the "excuse" that he felt obligated to list his home with a

relative whom he had forgotten was a real estate agent. It seems that this was his way of absolving himself of the guilt the agent was trying to lay on him:

> [Agent] He wanted it $20,000 over priced. I told him it's too much. I won't list at that price. "Call me in two weeks!" I called him in two weeks. "Call me in two days!" I called him in two days. Called him in two days, not available. So I called him back on another day and I said, "One thing I remember you did promise that when you list, you will list with me. Are you ready to list now?" "Oh, I feel ashamed. I feel embarrassed. I don't know how to tell you this." "What?" I could hear it coming. "Well my dead wife's relatives, one of her relatives came up to me at church on Sunday and made me list with her. I feel so bad. I feel so ashamed. I don't know what to do." Then in the next breath he says, "Do you forgive me?" "Well you know I forgive you. But sometimes it's better not to promise than to promise and not to keep it." I said, "You could have told me you had a relative in the business." He said, "I forgot about her. I didn't think about her." I said, "It's okay, I hope it goes well for you. What price did you list at?" He told me the price. I said, "Well I wish you well. You know it's a little high." "I know, I know, but when I sell this, can you look for a bungalow for me?" I was thinking, "right" (laughs). I said, "Listen, when you sell it, and you want me to find you a bungalow, you call me and I'll help you find a bungalow." [I-25A]

Confrontation

Hayes-Bautista (1976) discovered that "confrontation" was one way in which health-care practitioners and patients ended their relationships. According to the author, confrontation may result when attempts at mutual withdrawal fail. When confrontation occurs, the party being confronted with termination usually becomes incensed by the idea and defensive of his or her position. Typically, the patient insists that the treatments never work and/or the medical practitioner accuses the patient of

noncompliance.

In terms of the real estate setting, more generally, it seems that all parties will try to avoid confrontation and utilize it only as a last resort remedy. This was the situation confronting the following couple. Faced with the realization that avoidance wasn't working in their efforts to rid themselves of a persistent agent, they finally confronted her with their perception of her services:

> [Prospective Purchasers] {Wife:} She phoned everyday, some days. She stopped phoning for a long time. {Husband:} For at least six weeks, and I happened to be home when she phoned, and she told me that she had found this house. And I told her that we were going through another real estate agent, looking for homes, and she was very hurt. But she asked me why and I told her, "Well you haven't really been showing us what we wanted to see." And I told her exactly what my wife said, "You've been showing us houses with not enough bedrooms, houses in the wrong area of town, and houses that are away out of our price range." And, of course, she tried to argue with me that I was wrong, that, in fact, she was showing us exactly what I had asked her to, but .....
>
> One thing that really got me, was we gave a specific price range, you know, a hundred and thirty to a hundred and forty thousand dollars we asked her to look for. And, invariably, everything we would be in around a hundred and fifty to a hundred and sixty. {Wife:} And her response to that was, "Oh, well don't bother by looking at the price on the house. You just go by what you want to pay for it and they will come down." Her attitude was, "Well it doesn't matter what the list price is." But we told her the list price that we were interested in, not the end result, because we're not stupid, we know most people come down in price. {Husband:} She argued with me and I didn't bother responding to it. She told me that I wanted a three bedroom house instead of a four, that I never told her that I didn't want them in (name) Park, and that was one area that I specifically said I do not want a house in ..... Then she gave the argument about the price and I don't even know what I said, but I just basically let it go. And I assume she got the impression that I didn't want us to talk to her anymore, because she never called back. So I guess I was safe. [I-43]

Where real estate agents suspect that prospective buyers are not committed to working with them, confrontation may occur. One high producer, when unsure if prospects are avoiding him, sometimes calls them and asks them directly if they are interested in working with him, exclusively. Should they not indicate their compliance, then he lets the relationship dissipate:

> [Agent] Sometimes I just phone them up and ask them what the situation is and find out if they want to work with me or not. If yes, I say, "Well I'd rather you not go out with someone else." Or if they don't, then I'll say, "Well then fine." They just kind of disappear. [I-24A]

Hand-Offs

When a health-care practitioner refers a patient to another practitioner as a means of terminating the relationship, Hayes-Bautista (1976) refers to this process as "handing-off." It is not too often that real estate agents will "hand-off" a good prospect to another agent. In fact most agents would be reluctant to pass a prospect to another agent under any circumstances. However, high producers can afford to be selective and are often on guard for people who might waste their time. In these typical situations, they may hand-off a prospect to a lower producing agent. If the agent is successful at selling them a home, the agent making the referral will receive a commission (usually 25%) for doing nothing.

The following high producer indicates that when he encounters prospects who will not confirm their commitment to working exclusively with him, or they insist on looking at properties they cannot afford, he refers them to some other agent who is willing to

risk working with them. Generally, this agent prefers not to work with buyers. He lists a lot of properties and puts most of his efforts into acquiring new listings. Unless the prospective buyer appears to be committed to working exclusively with him, is willing to do a lot of the preliminary work (such as driving by selected properties), and is someone whom he believes is ready and able to buy a home, he prefers to refer the prospect to a less productive agent:

> [Agent] I would say ninety percent of the ones that contact me I refuse to work with. My questions are so direct with them that usually they sense that we're not getting anywhere. If they're not prepared to want to commit to me specifically, then I'm really not interested in talking to them further. If they're demanding to see a property of mine that I know they're very unqualified for, and they won't answer any of my questions, I'll refer them to another agent, and have that agent try to work with them. But most of the time, and as you know there's referral fees when you refer buyers and sellers. Most of the time it never pans out. [I-32A]

"Hand-offs" are also used by real estate agents to save-face when they know they are about to lose a listing. Occasionally, they may be invoked to indicate that they have the vendor's best interests in mind.

Recognizing that he was about to lose the listing after trying to sell it for a year, the following agent suggested that the vendor list with a husband and wife team (high producers) who work for a different company. While he will not get a referral fee if they sell it, it helped him to save the relationship he built with the vendor. If the other agents do not sell the property, it's possible that the vendor might reconsider using him again. In any event, he won't look so bad:

> [Agent] I had one customer, I even told her, "Look, I've done everything I can for you." I tried to sell her house for almost a year, a little condo, and I said, "I've done everything I can. You know how many open houses I've had" and so on, "I'm gonna suggest to you that you go to a different company." I suggested it, because I didn't know what more I could do. So I simply referred her to another company and they still haven't got the job done either. And they're two good people, a husband and wife team, who hit it off with my lady, too. And I call her once in awhile to see how she is. She's disappointed her house isn't sold, but it's just a little condo that we just can't seem to get sold, no matter who's got it. So if I can't do the job, they may as well get someone who can. [I-61A]

CHAPTER SUMMARY

This chapter has discussed disinvolvement in agent-client/customer relationships. In many ways disinvolvement is related to not fulfilling many of the contingencies upon which continuity depends. More specifically, our research discovered that buyers and/or sellers tended to discontinue working with agents who did not fulfill expectations which were viewed as obligatory, or were thought to be incompetent in some aspect of their performance. In essence, buyers and sellers develop certain expectations based on their observations and personal experiences with agents in regards to their role performance and the providing of services. Some salespeople, it seems, are not tapping into what is expected of them.

When agents were asked about their experiences regarding the loss of buyers, they attributed it to letting them look at homes on their own and to their failure to address the requirements of the decision maker or person with the money. With first-time buyers,

it is often a parent who is most influential, and who is also contributing to the downpayment. Because the real estate business is often viewed as a numbers game (doing volume business leads to a greater probability of success), and most agents see getting lots of listings as the key to success, there is a reluctance to spend too much time with any one party, especially buyers. Once agents have taken prospective buyers out a couple of times and shown them most of what is available, agents tend to get complacent and send them out on their own. Many agents fear that prospects may change their minds about buying a home, or that they may buy privately or through a contractor who refuses to pay commission. As a result, some agents tend to neglect buyers and focus, instead, on getting and servicing listings. Second, they often lose buyers by failing to address the expectations of the individual who may have the final say.

Agents sometimes take a more active role in phasing out prospective buyers whom they suspect are wasting their time. High producers, in particular, tend to be more selective when it comes to working with buyers. Given that they are usually busy, these agents are reluctant to work with buyers or sellers whom they suspect are poor prospects. When they suspect prospects of working with other agents (being uncommitted) or being unreasonable when it comes to submitting offers, most agents start phasing them out, perhaps working with them if they have nothing better to do.

Although somewhat uncommon, agents sometimes initiate the disinvolvement process from vendors. This usually occurs with

vendors whom they do not trust. While single property owners sometimes try to work out deals, privately, behind the listing agent's back, in most cases it is a builder or multiple property owner who is more inclined to use the agent to advertise their properties and to hold open houses in order to introduce prospects to their properties. They may then try to deal privately with prospects in order to avoid paying the agent his or her commission.

Lastly, we looked at how agent-client/customer relationships ended. For the most part, vendors and purchasers try to spare the agent's feelings and help the agent to save-face. Since interaction tends to become spurious in nature prior to disinvolvement, and there is so much money at stake in terms of commission if a purchase or sale takes place, agents tend to persist in trying to offer their services until they are sure about what is happening. Most commonly, prospective buyers and sellers use "avoidance" to rid themselves of agents with whom they do not wish to work. When that doesn't work, a "confrontation" may take place. In the odd case, agents who have reservations for working with a prospect may "hand them off" to another agent. If the other agent closes a deal, the agent making the hand-off will collect a referral fee.

CHAPTER IX

MAKING DEALS

This chapter examines the agent's role in facilitating deals. While not every aspect of the buying-selling process will be discussed, the main steps in the process, where the agent may be influential, will be analyzed. From the time a listing is taken or a buyer and an agent come together, a relationship is unfolding, with the ultimate goal being to buy or sell a home. Should a deal not be achieved, then the relationship will likely come to an end. What agents do to bring about a successful conclusion is the main focus of this chapter.

The organization of the chapter is as follows. The first section looks at the "presentation of homes." Recognizing that buyers are usually attracted to homes which are clean, tidy and in good condition, agents may invoke certain strategies to get vendors to make them more presentable. A second section examines the strategies utilized by agents when "showing homes" to prospective buyers. As will become apparent, the agent's strategies may differ depending on whom they represent, and whether or not they wish to sell that particular home to their prospects. The third section looks at agent strategies for "promoting offers," including closing techiques. Section four analyzes agent "strategies for reaching agreements." A final section, "encountering offers," focuses on the experiences of buyers and sellers in reference to their perceptions of what constitutes an acceptable offer.

PRESENTING HOMES

> [Vendors] {Husband:} Open houses are the worst thing you can do to your kids, because you live in a glass bubble. The day before, she (wife) would spend the day cleaning again and make sure everything was ready for the better homes and gardens. The agent said we didn't have to. But, would you want people coming through it, especially if somebody you knew came through it? "Oh my God, see how messy she is." We always had an open house on Friday, which was a realtor open house, and then Sunday. So we did most of the cleaning on Thursday, Thursday night, and couldn't even have a cup on the counter. You had to make sure it was spotless. [I-23]

The above quote speaks miles when it comes to demonstrating the "reflective nature" (Mead, 1934; Blumer, 1969) of human beings. Some vendors will take the initiative to prepare their homes so as to make a good impression. Many people see their homes as a reflection of self, and, in addition to attracting prospects, are equally concerned with what others who know them might think, should they view the home. As they are aware, when agents hold open houses, anyone, including "nosey neighbors," may drop in to view their home.

Reflecting Goffman's (1959) notion of "impression management," both the agent and usually (but not always) the vendor are aware of the importance of making the home as attractive as possible in order to create interest for prospective buyers. If a home does not have curb appeal, prospects may not want to come inside. It is generally considered important for vendors to keep their lawns neatly trimmed, their leaves raked or their snow shovelled when trying to sell. In terms of the inside, realtors are primarily concerned that vendors keep their homes clean. Given that not all vendors are good housekeepers, those who are will have an edge on

those who are not.

Agents usually give their vendors some general advice about preparing their homes. Sometimes it comes in the form of written literature. Essentially, they are told to keep their home clean, both inside and out, and uncluttered. The main idea is to create a spacious appearance, and this is especially important for small homes. They may also instruct them in regards to controlling the lighting, when to open the curtains to the sunlight and when to close them. Instructions on how to deal with offensive odors (from animals, cooking or smoking), the setting of tables or the playing of soft music, may also be given. Some agents will go even further and suggest that the vendors do some painting or redecorating, and make specified repairs.

However, not all vendors are willing to comply with the agent's requests. Some are naturally untidy or used to living in a "pig-pen," and it may be difficult to motivate them. Others do not see the sense in spending money or going to a lot of trouble to redecorate, particularly since they surmise that buyers will likely redecorate to suit their own tastes. On the other hand, homes that do not show well are more difficult to sell, and they may not bring desired prices. Agents recognize this and their task is to motivate vendors, hopefully without insulting them. To do so could cost them a listing.

There are three ways in which agents may attempt to realign their vendors behavior and get them to either clean up or make the necessary changes so that their home shows well. They include (1)

providing hints, (2) presenting ultimatums, and (3) coaching on concealment.

Providing Hints

One general strategy identified by Goffman (1959) regarding tactful behavior involves the use of "hints." It is through hints that the audience can warn the performer that his/her performance is unacceptable and that he or she had better modify it in order to save the situation. The performer, of course, must be sensitive to the hints and be willing to take them.

Not all agents will come right out and give vendors advice on cleaning or redecorating. As the following agent acknowledges, they simply try to do the best they can under the circumstances. It is generally thought to be more important not to offend vendors. She does, however, employ some tactful ways of trying to encourage them to make their homes more presentable. They include (a) asking vendors if they are going to make certain repairs (leaving it up to them) or (b) directing suggestions to third parties (suggesting that the kids clean up and hoping that the parents take the hint):

> [Agent] Well, sometimes you do. But again, people like if they're dirty, they're dirty. I say clean it up a bit. You can always blame it on the kids. I'll say, "You kids clean up your bedroom," so I can do this in a round about way. Sometimes, you know, they wouldn't even know where to start. But a fussy person, that'll be the one that'll say, "What can I do?" I say, "Well nothing, it looks absolutely gorgeous. Have the lights on and stay out of the way when I come through!" Not a whole lot of people ask you. That's it, it's either right or wrong whatever they've got there. You can tell them as nice as you can or as awful as you can. Like I've had people, "Oh I should put a cake in the oven and I should have a roast on if you're here." And I always say,

> "That's great." You know, lights and candles, it's wonderful, "but your house looks great." And people will come to an open house and they'll say, "These people knew what to do. They've got their roast on." You know, everybody knows what's going on. Or I'll say as I walk through, "Oh you've got a broken window. Is that getting fixed? Are you fixing that before you move?" Some people you can say anything to and others {laughs}. [I-62A]

Presenting Ultimatums

Other agents may be more forward, especially if they are going to work the listing by doing open houses. As Roznaczuk (1984) has shown, people are more apt to try to realign another's behavior if they perceive themselves as having "power and authority" over them. The following agent does not attempt to do so until the vendors have signed the listing contract. At that point he has a certain amount of perceived power over them in that he can withdraw services and still retain the listing if they do not comply with his requests.

"Presenting ultimatums" implies a change-or-else attitude. In reference to disputes, it represents an effort to force others to see their situations differently (Roznaczuk, 1984). Ultimatums are also utilized by people in power in other social contexts. Bittner's (1967b) study of police practices on skid row indicate that patrolmen sometimes present "ultimatums" to troublesome skid-row inhabitants as alternatives to arresting them. "Strikes" may also be viewed as ultimatums utilized by union negotiators to realign management's stance. As well, ultimatums may take the form of "lockouts" in labour-management disputes, with management

refusing work for their employees in order to force settlements (Phillips, 1981:199-200).

The following agent, while trying to be tactful, doesn't mix his words when it comes to getting his vendors to make the kinds of changes he feels are necessary to sell their home. From his reputation in the real estate community held by agents and vendors alike with whom he had dealings, I have little doubt that if they refuse to comply, he would not work the listing:

> [Agent] Some have dogs. I can honestly tell you, if a dog is in the house, it slows down the sale. No question about it, whether they're big, small or indifferent, dogs are a problem. Although we love them all, we can't always show a house that has a dog, because the vendor or seller has to be there. And then cats can be a problem to a lesser degree. You can smell animals in a house, and that's how it's a problem.
>
> After we list, we give them a list of things that they have to do. And one of the things we try to do is have a smoking area in the home. And that's pretty restrictive. You've got to have a lot of balls to tell somebody that. But after all, they hired us to do a job. And if we know that there's certain walls have to be painted, this has to be done, that has to be done, we are not afraid to tell them this. Cause, after all, we are supposed to be the professionals in this business. And believe me, we are.
>
> Then they'll say, "Do you really think I should change the broadloom in the front room?" And if you feel that they should, you're not gonna say yes if you mean no. And like if it's really dingy, or if the dog's pissing on the broadloom, I recommend it. I recommended to a guy with tongue in cheek, once, that he ship the dog off to the farm until we sold the house, and he did. And I sold the house. I said, "I wasn't mean when I told you that, but this dog was causing you a lot of aggravation." [I-33A]

Coaching On Concealment

Agents, it seems, are so bent on getting listings sold that they may "conspire to conceal defects." Some will even suggest ideas on

how to "cover up defects" that may pose obstacles to selling. It may be difficult, currently, as most brokers request that vendors fill out a vendor disclosure form attesting to the condition of a home. This is a recent innovation in Ontario intended to protect buyers from vendors trying to hide defects (and agents from being sued). If the vendor is reluctant to fill out the form, then that alone may arouse suspicion from the purchaser's lawyer. However, the following vendors, who failed to sell their home but were still interested, indicate that their agent gave them advice on covering the cracks in their basement walls:

> [Vendor] We were trying to sell it because we needed a bigger house with more bedrooms. When we moved in, it was just my husband and me. Five years later we have two kids. I guess the main reason we'd like to sell is because we have five leaks in the basement. When it rains or the snow melts, the basement becomes flooded. When you have kids, you spend a lot of time in the basement, but we can't use it when it's flooded. It also smells musty. All the houses around here have leaky basements. Our neighbors repaired two cracks in their's and it cost $3000. We don't want to spend the money on repairs. I think they had the cracks covered with posters. Maybe that's why it (our house) didn't sell. Our agent said to get a big poster and cover the cracks up. I guess we'll have to do that. [I-54E]

SHOWING HOMES

For the most part, agents working with buyers tend to stand back and let their customers view homes on their own. In many cases, it's the first time the agent has seen the home. Most agents, it seems, do very little to influence their prospects. In other instances, agents may take a more involved posture. When assuming a more active role in showing homes, this study has shown that

agents may (1) focus on the positive features (while at the same time downplaying or redefining the negative features). In some cases, agents may (2) "arouse discontent" in order to steer prospects away from a property and reshape their interest in another, the one they wish to sell them. When agents representing buyers show other agents' listings, they are more apt to point out defects. On the other hand, when they are simultaneously the listing agent, they may attempt to (3) "conceal defects" or to neutralize buyer concerns.

Focusing On Positives

Angrist (1984) discovered that real estate agents manipulate situations by focusing on the positive qualities of a home and ignoring the negative features. The following vendor notes how an agent who sold his home focused on the "positive features" and redefined the negative one. The vendor admired the agent for doing what he felt he was supposed to do:

> [Vendor] It's funny, the real estate man they brought in, knew exactly what he was doing. He was probably the best real estate man I've ever seen, not because he helped to sell my house, but because he was on the people's level. And they were sort of like lower middle-class, whatever they were. And he worked with that. "Well look at the wonderful mirrored doors," for instance, because he knew that's what they would go for, that's what they would like, would be the mirrored doors. And so he would focus on all those things. You know, he knew his clients really well. Because if you have a client for this house, for instance, and they're avid gardeners, you show them the garden. You're in that garden. You're showing them all the things that garden will do for them. And you see that's what the other real estate man did to these other people, he was showing them all the things.
>
> The guy said, "Well, the driveway's a little small, not wide enough for two cars next to each other." He

says, "Oh there's some bricks in the basement, you can put some bricks out," you know. You know damn well you can't even do that, it's against the law, but the guy didn't think about it. He had an answer. I guess he thought, "Well once you're in the driveway, you'll worry about it then." [I-58]

Arousing Discontent

Sometimes agents may be instrumental in steering prospects away from homes they do not wish to sell them. One way in which they may do this is by "arousing discontent" (Prus, 1989a). Their actions in doing so may be in the best interests of the prospective purchaser or it may be guided seemingly by self-interest.

Even though they are normally working for the vendor (as subagents), when agents are showing other agent's listings, they are likely to be acting in the purchaser's best interests. The agent, of course, is trying to build a relationship with the purchaser, to earn his or her trust and to maintain his or her loyalty. It is therefore in the agent's personal interests to cater to the purchaser and not to the vendor. In doing so, the agent is likely to protect the purchaser's interests by looking for and pointing out "defects" or potential structural problems:

> [Agent] And I do that when I'm working with purchasers. If I take them through any house and I notice a moisture problem, for instance, it's one of the most common, but it could lead to big dollars, of course, I definitely always point it out to them. "Are you aware that there's obviously some water stains in the ceiling? Now it may be, a year ago they put on a new roof, so likely that happened prior to putting on the new roof. Likely, but I want you to be aware of that." And then sometimes we then ask the listing agent about it and so on and get it clarified, and they make an informed decision, but they're not going to come back to me a year later and say, "You didn't point that out to me." Although I'm not

an electrician or a house inspector, if it's an obvious thing, I'm honest with them and say, "It would look to me like there could be a problem in this area." [I-61A]

In other instances, agent's may "arouse discontent" in order to direct the prospect away from one home and towards another, which is more advantageous for both the agent and the buyer. The following prospect was attracted to one house while the agent was trying to reshape her interests in another, the agent's own listing. Both properties were in need of work, and the purchaser went back and forth between the two properties, several times, before making a commitment to buy one of them. She eventually began to see things the way her agent wanted her to see them, that the home she was leaning towards buying was structurally unsound and in need of more extensive repairs:

> [Purchaser] The other house, first of all, was stucco on the outside. It was not nice, not pretty on the outside, it didn't have my brick. They (vendors) had added a wooden porch, but this other house had this, just wonderful cedar deck with a hot tub that was coming with the house, and the yard was just beautiful. But the inside of the house, once again, they had done a lot of cosmetic work. There was a lot of wood which I liked. Again, it was really overly decorated. There was stuff everywhere. If you walked up the steps, there was one of those ducks. There was a wooden duck sitting on every single step, a duck with a little bow around its neck. The whole house was heavily decorated.
>
> So what the real estate agent did was to tell me to think about it without the furniture, without all the added stuff. Once all the nails got ripped off the walls, all the work that would be necessary to make it liveable. And the other thing that she showed me was, while a lot of cosmetics were done to the inside of the place, they hadn't done anything to the basics. Like the window frames were peeling, the wood was rotting, the windows were not in good shape.
>
> And then I started to notice things the second or third time I went down there. It had been raining and the walls were seeping. And there was white stuff all over the walls and they had a fan down there. Then I

> walked upstairs and I noticed that there had been water damage on the ceiling. There were water spots and they were cracked, and then I realized that she was right. So then when I compared that with the place that I had bought, there wasn't any of that. [I-3]

Concealing Defects

When the agent showing the home also is the listing agent, he or she may find him or herself in the position of "concealing defects." In all likelihood the agent may be doing so as a member of a team (with their vendor) collaberating to keep a team secret (Goffman, 1959). This, of course, may be difficult because of the vendor disclosure form. In this particular case, the agent knows that if he points out problems with the house, he may lose the listing, not to mention discouraging a potential buyer from making an offer. His loyalties are primarily to the vendor and to a lesser extent to the prospective purchaser, especially when prospects drop by his open houses:

> [Agent] Now if a vendor says to me, "I don't want you telling anyone about the water in the basement," then I won't tell, directly. I won't go out of my way to point it out, because the vendor's asked me not to. But if someone were to say, "Hey, I see there's some water problems here," then I would say, "Yeah, well that's pretty obvious isn't it?" I mean I won't lie to the people. But, I haven't been the one to actually point it out, so I think I'm doing what my vendor's told me to do, because if they didn't notice it, I guess I don't say anything.
>
> But I also make sure that every one of my vendors fill out a vendor disclosure form, tell them to be honest with it, because it could be a legal document in court six months down the road. "If you did say that you didn't have a moisture problem and a year before you had somebody come in to try to fix it, someone finds that out, you're gonna be liable for that, so you better be honest." But, it's their disclosure, not mine. [I-61A]

This agent's situationally-related perspectives are typical of the way most agents see it. Some agents, of course, may take it a step further and be more active in helping to cover up the defects, by providing advice to that effect.

PROMOTING OFFERS

While prospects often reach their own conclusions in regards to submitting an offer, sometimes agents take a more active role in getting them to do so. This research has shown that agents may "manipulate the selection" and showing of homes so as to make the one they want to sell look more attractive. Agents may also use various closing techniques. Commonly, these include closing by assumption or closing by inquiry.

Manipulating Selection

Although buyers typically come to their own conclusion about submitting an offer for a home, agents sometimes find ways to manipulate the situation and promote offers. While they recognize that prospects often need a push, they also recognize the consequences of being viewed as pushy. Perhaps the most common strategy agents utilize is to arrange the showing of homes so that the prospect will find the last home on the list to be the better deal. Not all agents are aware of this strategy and not all agents use it. When they do, and I myself have done it, it may be in the best interests of the purchaser. In other words, being familiar with what's available at what price range on the current market,

the agent spots what he or she believes is a good deal for the prospect, and sets out to convince the prospect of it. Some agents, however, take it a step further. Wanting to move their own listings, they show a few overpriced homes which do not show well before the one they want to sell. In both cases, they more or less let the prospects make up their own minds. What the prospect doesn't know, particularly in the latter case, is that the agent is manipulating them into buying his or her own listing. By being selective in what prospects get to see, agents are able to shape situations to their own advantage:

> [Agent] Once you find out what they like, you set up three or four houses ahead of it that they don't like, that you know they won't like, and then when they hit the one they like, they like it all the more. [I-34A]

> [Agent] We ask them, or we generally know. We are very proficient at having been through the homes that we show them before we go through. So at agent's open houses, if we're running in the range of a hundred and forty thousand, we'll usually pick out three or four of our competitors houses that are really lumpy and overpriced, and then we'll show them one of ours that's clean and on the mark. And you don't have to say, "John, which one are you going to buy?" You know which one he's gonna buy. "Which one do you like, John?" Cause John's making notes about all the houses, "Well, it might have your sign on the front lawn, but that's the one I want."
>
> People ask us, you know, "What percentage of your own listings do you sell?" Although my (partner) will not let me disclose the exact amount, it's confidential, it's large, very large. That's how you double your income in this business. You cut your workload in half. Think about it. You make twice as much money on the house. [I-33A]

Closing By Assumption

Sometimes agents see prospects as needing a little encouragement to make a commitment, but, most are aware that it could be costly

should they appear to be too aggressive. Finding ways to do it with tact is important, otherwise prospects may see the agent as impatient, and possibly back away from the agent. One technique which agents sometimes use is "closing by assumption." Prus (1989a) identified this technique with retail salespeople who act as if a bargain has already been struck. In some cases they begin totalling bills or wrapping merchandise without explicit approval, and in other cases they assure prospects that they've made the right choice.

One real estate agent starts talking about how much money prospects would be willing to put as a downpayment, or how much they'd be willing to pay for the house. Before they know it, they are submitting an offer:

> [Agent] Get them back to the office, pull an offer pad out, and ask them how much they're gonna offer. How much deposit are we gonna put on this house. Stay away from the word "offer." Say, "How much deposit are you gonna put on this house? How much money you gonna end up paying for this house?" And they'd say a hundred and forty, you recommend they go to a hundred and fifty. That's about the size of it. [I-34A]

Closing By Inquiry

Prus (1989a) discovered the technique of "closing by inquiry" to describe retail salespeople essentially "asking for the sale." After looking at more than twenty properties, the following purchaser finally found one that had everything that she and her husband were looking for in a home. Even though they were excited about it, they suggest that the agent tactfully prompted them to go ahead with an offer. This is not unusual. It's a big outlay and

people often get cold feet:

> [Purchaser] Well we went and saw the other houses that day and, like I say, I wasn't interested in any of them. So we sat in the real estate agent's car, and we talked for awhile. And he said, "If you think it's the house that you want, why don't you put in an offer?" He said, "The worst they can do is laugh at it." So, we talked back and forth for awhile and we decided that it was the right house. It had everything we were looking for, so, why not? [I-52]

STRATEGIES FOR REACHING AGREEMENTS

On the surface, the biggest obstacle to the completion of a sale is price. Vendors typically want as much as they can get for their homes, at least, as close as possible to the asking price. In fact, most have a bottom line in mind from which they are reluctant to go lower. The buyer, on the other hand, typically wants to buy a home at less than the asking price. While buyers may have set a maximum limit for themselves, other times the limit may reflect affordability or the anticipated cost of repairs and renovations.

Other considerations such as closing dates, conditions written into the offer, the inclusion or exclusion of various chattels, are not only negotiable in and of themselves, but may also impact upon the price. While not all these considerations are critical to every transaction, where they are a problem, they may not only impact on price, but on the completion of a deal.

Most agents will try to discover as much as they can about the other party's circumstances. Agents representing the buyer, for example, may ask questions when they visit the home, or confront the listing agent prior to submitting an offer. Other times,

details are exchanged during negotiations which may or may not affect counter-offers.

This section examines the kinds of strategies which make reaching an agreement possible. The perspectives of vendors, purchasers and agents will be discussed, simultaneously, according to their relevance. Among the more common strategies utilized by agents in order to reach deals include: (1) encouraging role-taking, (2) locating limits, (3) making concessions, and (4) providing consolation.

Encouraging Role-Taking

Other than getting parties to "be reasonable," agents have few strategies when it comes to pricing. For one thing, they nearly always are paid by the vendor, even when representing the purchaser, and some see it as their lawful duty to try to get vendors their asking price. On the other hand, their relationship is with the purchaser (unless they are the listing agent) and they rarely stick to this ideal. Instead, they tend to work in the best interests of the party on whose behalf they are, in actual practice, negotiating. Their primary objective, of course, is to bring about an agreement. Some will try to get the purchaser to offer close to the asking price, and they will attempt to get it accepted without a counter-offer. Others will anticipate a write-back and suggest that prospects go lower with the anticipation of ending up at a targeted price. However, recognizing that offers which are too low may be destructive to negotiations, most agents

usually try to convince prospects to "be reasonable." Vendors, too, can be unreasonable. Some tend to hold out for top price even though their asking price may be viewed by agents and/or buyers as unreasonable.

Encouraging buyers or sellers to put themselves in the other's place, or to "take the role of the other" (Mead, 1934; Blumer, 1969), is one way in which agents may try to get them to be more "reasonable." For example, agents might ask buyers to imagine themselves as the vendor in order to better anticipate the price the vendor would likely accept:

> [Agent] When people go in real low, I always say to them, "What would you do if you owned that house and somebody brought this offer in? What would you think?" You have to hit them home sometimes to make them realize, "I wouldn't take it if I owned that house. I'd want $20,000 more." [I-34A]

As a second agent attests, it doesn't always work, but she often encourages buyers who insist on offering a price which would likely be too low to be seriously considered to put themselves in the vendor's place:

> [Agent] Most people want to give you low. "We can always come up, we can always come up, right?" And if the purchaser is saying, "Let's try eighty," and the house is a hundred, you say, "Well they won't think you're serious. They'll write it back at full price. Be serious. You're not going to expect to get it for eighty. What do you expect to get it for?" "Ninety-five." "Well then give me ninety. Because now you're a real buyer. You're a horse's ass offering eighty." And, you know, some people, they won't listen. It doesn't matter what you say. And you have to take it. And you do the best you can do. That's all you can do. You lose some, you win some. [I-62A]

The reflexive nature of negotiating price is also relevant to agent-vendor relationships. Just as purchasers may be inclined to

low-ball vendors, vendors may be very stubborn in sticking with their asking price. Given that some of them want more than what the agent and likely the purchaser think it is worth, agents may try to get vendors to take the viewpoint of the purchaser in order to shift their perspectives and get them to be more "realistic":

> [Agent] It doesn't hurt for a minute to ask the vendor if he'd buy the house for that price. "Would you pay this price for that house? Okay, what would you pay for it if you were buying it?" [I-34A]

While agents may encourage buyers or sellers to take the role of the other in order to determine what constitutes a fair price, the end result is uncertain. As the following section indicates, there are things which agents may do in attempts to take the guess work out of pricing.

Locating Limits

Just as Prus (1989a) discovered that retail vendors attempt to "locate limits" in order to prevent price objections on the part of buyers, agents also attempt to locate the limits which buyers and sellers may have in mind in order to facilitate the reaching of agreements. For Prus, locating limits involves the task of qualifying prospects or discovering how much they are willing to spend. Some salespeople may attempt to qualify buyers in anticipation of price resistance, while others may do so when buyers express their reservations. Ross (1980) also found that both insurance adjusters and attorneys for claimants try to discover each other's "resistance point" in order to facilitate a settlement.

In the real estate marketplace, most vendors have a minimum price in mind and anything lower is likely not going to be accepted (at least in the short-term). Buyers, too, usually have a limit in mind over which they are reluctant to go. Vendors do not always make their bottom lines known to their agent, nor do buyers always indicate their limit to their agent. To do so could be risky. There is no guarantee that agents can be trusted not to share (one or both ways) this information with the other agent, who may use that information to the benefit of the party he or she is representing. In other words, telling the agent may result in getting less for the vendor or paying more for the buyer. On the other hand, where the agent has to guess at what the buyer or vendor might go for, it can make reaching a deal difficult.

The following excerpt illustrates the importance of agents knowing this information in order to help bring about an agreement. While purchaser and vendor limitations are seldom carved in stone, and may change contingent upon a variety of concessions which may later be negotiated, acknowledging them may be helpful to facilitating agreements. It also indicates that it is generally best if buyers do not offend vendors, once their bottom line is known, especially if they really want that property:

> [Vendor] There was a write-back. We were asking $149,900 and they offered $140,000, and we weren't going to take that. We wrote back $145,000. Now it was interesting how that came about. The two agents sitting in our dining room, and the agent for the other couple kind of coached things, you know, the offer reflects current market value, what's going on in the market, etc. We knew that things were a disaster in the market in terms of price. We knew that was going on. And then he made kind of an opening to the effect that, "I can give you

some indications as to what the couple will go for, in terms of what they would accept, in a price." And so I pursued that. And he said, "$145,000 would be the absolute upper limit." We could have signed it back, in fact, our agent was thinking of signing it back at $146,500 and then coming back down. But their agent, who is a high profile agent, very busy, he had a number of things on the go that evening, in fact. He's a four million club member, himself, so he had a couple of deals on the go. And he said, "To save me time, to save you time, to save them time," he was trying to come in on this figure of $145,000. And my wife and I had decided ahead of time, before the agent came over, $145,000 would be our base. So we signed it back at $145,000.

So he went back to his couple, and it seemed like an eternity, the time that elapsed. He called us from their place with a couple of questions about the age of the central air conditioning and little things like that. So we gave him that information and our agent starts worrying. "Gee, he may come back with a lower offer." And both my wife and I are pretty pig-headed when it gets to things like that. We told our agent, "If he does that, there's no fucking way. We're not going one cent below $145,000." And we told him, "We don't appreciate your tactic of doing that sort of thing, of convincing us, $145,000, and having it fall through."

So we didn't know what to expect when this guy was coming back in, if he was going to come in with something back, or what. As it turned out, he had talked them into going for $145,000. Everything was finished that evening. But it was close, because if he had come back, and I wouldn't care if it was $144,900, I would have said, "No!" We would have been adamant about that. We would have viewed it as being manipulated by the agent, and we wouldn't have accepted that. We really had set, ahead of time, our bottom line of $145,000. [I-4]

Furious with the agent for trying to get him and his wife to accept less than their bottom line, the following vendor held out for the purchasers to increase their offer. It was a divorce situation and the real estate agent suggested that the wife, who was anxious to sell, pay the husband the difference. Since the husband and wife were at odds, the agent was able to convince them to renegotiate their bottom line. This upset the husband who did, however, reestablish a new bottom line with his estranged wife.

The purchasers then agreed to increase their offer to meet the vendor's new limit:

> [Vendor] It was sort of touch and go. It was a phone call that night as to whether they were gonna take it or not. My wife was gonna give up and say, "I'll pay you. You want this much more money. I'll just pay you your half of that difference." And I wouldn't let her do that. I said, "That's not the way I wanted it, you know, that's not fair to you." And then I think we just finally settled and said that was our bottom line. And then when it went back (to purchaser), that's where he came up. [I-31]

By uncovering their client's bottom line or their customer's maximum limit, agents have a means of neutralizing any price objections. Agents who fail to properly qualify their prospects in this regard are often surprised at the negotiation table when offers are rejected, or when agreements fall apart because money lenders refuse to approve mortgages.

One agent claims that he tries to discover the vendor's bottom line from the listing agent prior to submitting an offer. Usually he suggests that his purchasers offer less, in case the listing agent is not being truthful with them. This makes it possible to get the purchaser a better deal, to leave room for negotiations with the expectation of eventually settling at (or below) the vendor's bottom line. To meet the vendor's bottom line, straight away, could result in the purchaser paying more. While it is not unusual for agents to share information regarding the vendor's bottom line, or the purchaser's maximum limit, many agents do not share that information unless the deal is about to fall through, preferring, instead, to get the best deal possible for the party they represent:

> [Agent] If we show another broker's listing, they know who we (agent and his family) are. If we're showing their house and they want that house sold, we have the ability of saying to that salesperson, "Do you know what the bottom line is on that house?" Suppose it's listed for $189,900? And they might say, "Well we don't know for sure, but we think it might go for one-eighty" ($180,000). Guess what, we go in at one-seventy-five. And many times that salesman will do a selling job on us. They'll talk us up right in front of their client. We just shut up. We gotta cash offer here, closing in 60 days or 90 days. And then the agent sometimes will look at us and say, "What do you think?" And if I'm spoken to I'll answer, but I don't speak out of turn. My wife taught me. We're Hollywood actors, you see. We're there, we're working for the vendor but we're also working for our purchaser. That becomes very difficult. It's not really a problem though.
>
> And before we go, we're gonna ask our client, the purchaser, "Now you're going in at one-seventy-five. It's listed for one-ninety. What's your maximum figure?" And they'll tell us.
>
> And if we were asked at the meeting, "Would they come up another couple of thousand?" Professionally you'd say, "Well I'm gonna do my best, if that's what you want. Is that what you want? But this is a perfect offer. Why change a perfect offer? Would you blow this deal for two thousand dollars? You make one change on this offer, and there's no guarantee in life." And then you shut up again. There's a lot of philosophy in when to talk and when not to talk. [I-33A]

What is interesting from this agent's way of dealing with price is that he is obligated, by law, to divulge to the vendors (who are paying his commission), when asked, how much the purchasers would be willing to pay. It is inferred by his comments that he does not reveal that information. I've yet to meet a high producer who represents the purchaser but, at the same time, is getting paid by the vendor, who does not work to get the best deal for his or her purchaser. Less experienced agents (usually low producers), on the other hand, tend to follow the letter of the law, and perhaps that is why they fail to close deals or end up

with satisfied customers.

Consistent with Ross' (1980) negotiations between attorneys and insurance adjusters where the first offer to settle is not intended to be accepted but to establish the other party's limit, agents sometimes encourage buyers, and buyers often prefer, to make a lower offer. While the offer is lower than the asking price, it is usually thought to be reasonable. This is often done with the anticipation that the vendor will make a counter-offer and they will eventually arrive at a price somewhere between the asking price and the offer price (or discover the vendor's bottom line). In fact, this is a very common strategy and many vendors, aware that they will be offered less, set their listing prices higher than that recommended by their agent. The down side to this is that the vendor may be offended by the low offer, particularly if the home is priced fairly in the vendor's mind, and reject the offer entirely. Where it works, however, the purchaser is likely to acquire a property at what the purchaser sees as a good price.

One purchaser, wanting to pay no more than $145,000 for a home which was being advertised for $149,900, decided to offer $143,000 on his agent's advice. Since the vendors were in a pressure situation, they wrote it back at $145,000. Had they not been in that situation, chances are they would have asked more:

> [Purchasers] {Wife:} They lowered it from one fifty-four, nine to one forty-nine, nine. And then they changed real estate offices. It was for sale for two days and we got in there before it was in the book. Their listing ran out so they changed the listing but went with a different company and lowered the price. So then they had put an offer on another house in a nearby city, being on condition of their house selling. {Husband:} The house

> that they had an offer in, had a cash offer come in, and they had twenty-four hours to do something. {Wife:} They got the twenty-four hour notice that they had to do something, and we came in, the day after they got this notice with our offer, so like they kind of thought, Oh, let's take this because we don't want to lose this, the other house. It all just snowballed right into place, so nice. And I said, "You know, this is how it's supposed to be." It's supposed to go nice and smoothly like this, you know, going back and forth with pricing and coming to some sort of an agreement. [I-69]

The above quote also illustrates that buyers take into account the vendor's circumstances, if known to them, and that the vendor's limits may be affected by their own predicament. In this case, the vendors were likely experiencing closure in that they had twenty-four hours to waive all conditions (to firm-up) regarding the purchase of another property, or the owner of that property would be free to sell the house to someone else. This probably resulted in their accepting less than they would normally have if they were not under pressure to sell.

Making Concessions

Prus' (1989a) retail vendors acknowledged the importance of "making concessions" in order to prevent the loss of a sale. He developed the term to cover a rather wide range of things. Making concessions involves adjustments for price, quantity, quality, service, warranties, or throw-ins, etc. In addition, making concessions may be initiated by either party. Just as retail vendors and shoppers sometimes bargain over goods or services, real estate agents usually encourage those whom they represent to try to accommodate the other party's requests, or to meet them halfway.

The kinds of concessions agents may encourage their buyers or sellers to make in order to keep an offer going include: (a) accommodating the other's choice of a closing date; (b) offering cash instead of making an offer conditional on financing; (c) getting vendors to hold a mortgage; (d) persuading buyers to assume an existing mortgage; and (e) throwing in chattels (appliances, etc.) to sweeten the deal. Agents may also offer to lower their commissions in order to reduce the vendor's perceived loss (should vendors be pressured into accepting less than their bottom line), if necessary, to make a deal come together.

"Closing dates" can be an obstacle to reaching an agreement. It can be expensive to finance two houses at the same time, or to stay in a motel and put one's furnishings in storage. Often, where closing dates are far apart, buyers may not consider submitting an offer. However, like other aspects of the offer, closing dates may be negotiated. The key to most (but not all) sales is usually the price. When vendors want a specific closing date, buyers may offer them more money to close earlier or later, whatever the case may be. Conversely, if buyers want a different closing date, vendors may accommodate them by making it a better deal.

Buyers who are willing to meet the vendor's closing date may be able to get a better deal. When vendors are moving somewhere and they have already bought another home, they will already have worked out a closing date with the vendor at the other end. Generally, vendors do not want to be caught making mortgage payments on two places at the same time, or having to pay for taxes

and utilities while their home sits vacant. The buyer, on the other hand, may have to pay rent for the balance of a month, or get bridge financing to carry two properties for a short time. Where one party meets the other's closing date, and the costs to the other party are significant, it may be reflected in the price.

A vendor was not entirely happy with the price being offered to him, but was concerned about his house sitting empty for several months. Since there had not been much action on it, his agent suggested that he ask for an "earlier closing date," rather than ask for more money. Given that it was still winter, he would make up the difference by reduced utility bills and on fewer mortgage payments:

> [Vendor] I said I was going to write it back and they had the closing date the middle of March. And I figured, well, paying the utilities, there was a month and a half difference in the dates. I thought, a month and a half, there's a thousand dollars in payments, for the month and a half, and there's about three or four hundred dollars in everything else like the water, the gas. So I said, "Well I'll tell you what I'll do. You close it earlier and we'll leave it at that price." So they wrote it back the 16th of February. I said, "Fine, that will save me money right there. It's not really out of your pocket to give me more money." We were both happy with it so we signed it, and that was it. [I-29]

Preferring an early closing, the buyers discussed below were encouraged by their agent to increase their offer in order to get the vendor to agree to move sooner. After spending two days showing houses to her sister from Mississauga, they found nothing that her sister liked. Then the agent spotted an exclusive listing being marketed by another company which she knew would be perfect for her sister. She called her sister, immediately, with the good

news. Since her sister wanted an earlier closing date, she encouraged her to offer the vendor $2,000 more than the asking price, and that made the deal:

> [Agent] We presented the offer at list price. The only problem was my sister sold her home and wanted a June 1st closing date. The vendors wanted more time to find a new home and accepted conditional upon a July 1st or August 1st closing date, if they so required it. The purchaser could not accept that condition.
>
> So we made up another offer. My sister felt that it would cost her $2,000 to rent and store her furniture for two months. We came back with an offer of $134,900 rather than the original $132,900. My sister felt that if they would agree to the June 1st closing date, she might as well give them the $2,000 and let them worry about where to go if they didn't find another place by that time. The vendor, who was a lawyer, said he never saw an offer like that before, and accepted it. We also had an alternative offer made up which met the purchase price, but agreed to the later closing date. [I-78]

One of the ways vendors can help to make a deal come together is to "hold the mortgage" at a reduced rate. This is especially important where regular mortgage lenders limit the amount of money they are willing to lend.[1] It makes it possible for buyers, who cannot get the required funding through conventional means, to purchase a home. Usually the vendor will demand a better price to offset the loss in interest of holding the mortgage.

The following illustration shows how a vendor helped a buyer to purchase his home when lending rates were extremely high, by holding the mortgage for five years and offering to renew it, once, for an additional five years. His wife and their son suggest that the real estate agents took advantage of the vendor who was sick at

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[1]Owners trying to sell privately often find themselves being pressured by private buyers to hold the mortgage, which is sometimes a deterrent to selling privately.

the time. They persuaded him to sell the home for $20,000 below asking price, and to hold the mortgage at the same time. While holding the mortgage helped to sell the property in a slow market, the vendor received less interest than he would have, had he received cash and deposited it in the bank:

> [Vendors] {Son:} Father took the mortgage back on it for a five plus five. Five years, and if they wanted to renew it at the same rate, {Mother:} which they did. {Son:} It worked out good like that, because if it had been five years, plus whatever the rate was at the end of that five years, the guy would have lost the house. Because then the rates were 21 percent. And he said there was no way he could have ever have afforded 21 percent for the next five years. He would have lost the house. But we were fair by saying, five plus five {son}. {Mother:} Eleven percent.
>
> {Mother:} The real estate, they chopped us down and down and down. And my husband was sick at the time, and he went more or less with what they said. {Son:} It was supposed to go on the market for $129,000. That was what the deal was. When the deal was closed, they had it down to $109,000, and father signed it. And from that day, those two real estate people, we never saw them again. We gave them the listing, and we never set eyes on them again, from the time they got the money. We should have got our one-twenty-nine. That was what the deal was. {Mother:} I think they took advantage of my husband. He was very sick. It was sold in the dark, nine o'clock at night. You don't buy a house in the dark, if you've anything about you, really. {Son:} It was almost new. It was built for thirty-six thousand, and father put in another ten thousand, with landscaping and all that. So you couldn't spend anything on the house. There was no need for it. They even gave two thousand dollars for the drapes, just to show you how much the drapes were in the house. It wasn't cheap, aye. But it was just that $20,000 difference on the deal. It shook me when I read the offer, but father had signed it. [I-45P]

It is usually not easy for vendors when selling their property to get out of a mortgage without paying a penalty, and that penalty can be substantial. Mortgage lenders are in the business of lending money and they make sure the mortgagee sticks to the terms

of the agreement. Sometimes the mortgage can be transferred to another property at a blended rate. Other times, the new owner is permitted to assume the mortgage, providing that the mortgagor approves the transfer.

Already facing a loss on the sale of their condominium townhouse, one couple were able to save $2,500 in penalties by getting the purchaser to assume their mortgage. In return, they agreed to accept an offer which was approximately $2,500 below their asking price:

> [Vendor] We took a little bit less than we expected but we took that because she assumed our mortgage. And that meant a substantial savings, because we wanted to switch banks, so we would have paid about $2500 more in a penalty. So we dropped it down by about that much when we sold it. So really, we came out fairly close to what we were asking. [I-44]

Sometimes buyers will ask that certain "chattels" be included in the offer, and other times vendors will offer to include them. Frequently appliances and/or window covering may be offered by the vendor in order to sweeten the deal. Appliances do not always fit every kitchen, so including them on the listing, or offering them during negotiations, may make a property more attractive to some buyers. Window coverings, too, may be unique to each household, and, therefore, are likely of little use or dollar value to vendors once they move to another house. Their inclusion often saves the buyer money and perhaps a lot of work making them.

One vendor, herself a real estate agent, included the appliances and window coverings in the deal to help sell her home:

> [Vendor] I left all the little things which make people want in a house like curtains and fridge and stove. I

> offered it to them. Like it's nice to have a house with curtains, because, I mean, it takes awhile to get all of that stuff on. [I-17]

Reflecting on when he bought his first home three years ago, the following informant notes how the inclusion of the appliances made the deal for him:

> [Purchaser] Another good thing, well it wasn't good for the people that I bought it from, but I bought the house from a couple, and they were older, and they were getting separated, and going to get divorced. Now, when they had it for sale, they had only owned it, previously, for three months. And in that three months, they went and bought a new stove, new fridge, new washer and dryer. Well, that was all included in the house. So being my first home and not having anything like that, that's what really sold me on the house was all the free appliances. And they were all brand new. And that made a big difference, because I didn't have to go out and get that stuff. [I-69]

Vendors also may be more willing to close when the buyer makes some concessions. In one case, the buyer agreed to pay for the survey, which impressed the elderly vendors. On the other hand, it is the buyer who requires the survey, either for the lawyer or for the bank when acquiring a mortgage, and it is the buyer who normally pays for the survey. Vendors are usually only required to provide a copy of any existing survey, assuming that they have one. Consequently, it is the agent's definition of the situation which resulted in the vendors getting the impressions that they were benefiting (saving money) from the buyer's willingness to pay for the survey:

> [Vendor] The fellow that bought it agreed to pay for the survey and that was expensive. He also asked for the appliances. They were old and we weren't taking them with us. We would have had to sell them anyway. So I guess if you take those things into account, we probably got about a thousand dollars less than we were asking.

So we didn't do too bad. [I-67V]

Agents sometimes offer to reduce their commission to make a deal come together, and some buyers hold them to it. In the case which follows, the agent offered to reduce her commission by half a percent to help mimimize the vendors' perceived loss (difference between bottom line and actual offer). They perceived it as an unselfish gesture on the part of their agent:

> [Vendors] {Wife:} She kind of got the point I think, (name) made it quite clear what we wanted, the price we wanted and that he wasn't really budging on it..... {Husband:} So our real estate agent, being such a good friend, she knew we were gonna buy a house through her, cut her commission down a half of a percent. So that worked out to almost five hundred bucks. Actually she did take five hundred dollars off. So really we only went five hundred lower than what we got. So she helped us out a little bit there, but, on the other hand, she knew that we were gonna buy through her. [I-69]

Perhaps the most interesting case I've encountered is the creative and determined efforts of one real estate agent to get a number of parties to "make concessions" in order to facilitate the completion of two deals (the sale of one home and the purchase of another) during a slow market. Following a structural inspection, the vendors were informed that their basement would require $15,000 worth of repairs in order for the purchaser to complete the deal. Finding it unaffordable, they told their agent that they would not be able to sell their Ottawa home, or be able to complete the deal for a second property in Stratford that they had agreed to purchase. Their agent then went to work persuading: (a) the purchasers of their home in Ottawa to increase their offer; (b) the vendors of the home in Stratford that they were planning to buy to

accept less; (c) the contractor who was selected to do the repairs to lower his fee; and (d) the real estate agents involved to agree to a reduction in commissions:

> [Vendor] We've moved a number of times so we've had lots of experiences with agents. The agent who sold our house in Ottawa was fantastic. He went beyond what I think would normally be expected of an agent. The woman who bought our house was a real estate agent. She put a condition in the offer that it was conditional on inspection. So when the inspector checked the house, he found something wrong with the foundation and it was going to cost $15,000 to fix it. We told the agent that we could afford to pay $5,000, but $15,000 was too much. We just couldn't afford it. So we wouldn't be able to sell it. So he said, "Leave it with me. I'm going to try something. I don't know if it will work, but at least let me try."
>
> So he contacted all of the parties and he made the deal come together. He told the people in Stratford that we were having this problem and that we wouldn't be able to buy their house. Well they agreed to drop their price by $5,000. The real estate agent who was buying our place increased her offer by $5,000. The contractor who was doing the work reduced his price by $2,000 and the agents reduced their commissions. He was really great. If it wasn't for him, we wouldn't have been able to move. [I-81]

The above analysis enriches our stock of knowledge in regards to "making concessions." Similar to Prus' (1989a) findings, "throw-ins" (fridge, stove, window coverings) can help to make a deal. Adjusting prices in reference to closing dates, and the willingness of vendors to take back a mortgage at a low rate of interest, are all elements that may enable buyers to overcome obstacles which they may be experiencing that would otherwise prevent a deal from being reached.

"Receiving concessions" usually gives vendors or purchasers the perception that they are getting a good deal. On the other hand, this need not be costly to those who are making them. There

is usually not much dollar value in used appliances or window coverings, and they may not fit (physically or cosmetically) into the vendor's next home. While vendors are usually elated when agents reduce their commissions to help them reach their minimum acceptable price, it may enable agents to make sales that they might otherwise lose. Still, not all are willing to help others out in these manners. There is no guarantee, either, that one will gain more one way or the other.

Providing Consolation

Not all buyers or sellers are happy with what the other party is proposing. Agents are sometimes faced with one party who seems relatively inflexible, or the deal may be held up by what an outsider might see as something trivial. For example, the two parties might be a thousand dollars apart on a $150,000 transaction, or the purchaser might insist that certain chattels be included in the purchase price but the vendor does not want to include them. Typically, agents will encourage disgruntled parties to "give in" and not to lose the sale over such things.

In a general sense, these actions of agents reflect Goffman's (1952) notion of "cooling the mark out." He uses the term in reference to a member of working team controlling a gambling venture, staying behind to console the mark, who has just been conned out of his money. Essentially, he (the cooler) counsels the mark in the art of taking a loss, so as to avoid adverse publicity or the mark going to the police and possibly exposing their

operation.

Buyers and sellers often become resistant when they are asked to exceed their maximum limit or to agree to accept less than their bottom line. Given that striking a deal is not always easy, agents usually encourage their buyers or sellers to be reasonable and flexible when a deal seems attainable. Insistent or inflexible vendors could very well have their homes back on the market for several months, prices could drop, or the house might not even sell. Inflexible buyers, on the other hand, may not find another home which is as appealing to them.

An elderly couple, anxious to sell and move to an apartment because of deteriorating health, were upset with the price they were offered. It was slightly below the vendors' minimum acceptable price. However, the agent told them that was all she could get, that the market had changed and prices were headed downward. Consequently, they changed their opinion and viewed themselves as lucky to get what they did for their home:

> [Vendor] Well it went down since she did the first evaluation four years ago and I guess prices are still going down. So we didn't get quite what we expected for it. My husband argued with her about the price. He didn't want to accept the offer but she (agent) said that was all she could get. [I-67V]

While "providing consolation" may be legitimate and in the best interests of the displeased party, it may also be manipulative. She told the vendors that prices were headed downward when, in fact, they were increasing. Now, she may have been mistaken or her intention might also have been to make a quick sale, which she did. While quick sales may also benefit vendors,

agents' incomes also depend on commissions. Especially when selling lower priced homes, agents need to sell a lot of them in order to make a decent living. Quick turnovers may be important to them. They get paid when a home sells. It costs both time and money to keep a home on the market, and if it does not sell (listing expires), they may lose the listing to some other agent. This is nearly always a consideration, particularly where client loyalty may be ambiguous.

Advising people not to lose a deal over a relatively small amount of money is a way of providing consolation to stubborn buyers invoked by the following agent. Once they've found a home that they like, he suggests that the difference they pay will be relatively trivial when averaged out over the number of years they will likely enjoy the property:

> [Agent] I'm probably not a great closer. Negotiating, I'm fine. I have no trouble putting things into financial terms, maybe breaking it down. One thing I've always done is told people, and this is true. I've owned seven or eight homes and I can't remember what I've paid for any of them. I always tell people that when it gets down to haggling over a thousand dollars. I say, seven years from now, you won't remember what you paid for it anyways. So you might remember how big your mortgage was, but you probably won't remember what you paid. So don't lose a house, or don't lose a sale of your home. I tell it to both ends and probably the weaker one gives in. But don't lose it over a $1,000. With inflation and time, if it's where you're happy living, it won't mean that much to you. [I-24A]

Noting that vendors may be reluctant to accept what the agent thinks is a reasonable price, the following agent encourages vendors to "take the role of the purchaser," by asking them what they would pay for their own place if they were the buyer. She

also compares the subject property with the selling price of comparables in order to convince vendors that they are not being realistic. In this way, she redefines what the vendor sees as a low offer, as a fair and reasonable offer (often closing the deal):

> [Agent] So I bring a low offer to a vendor, and they're disappointed. Well if I think it's good, they're gonna sign it, in most cases. I won't leave, if I think it's good. If I think it's low, then I say, "I think we can get more. I think your house is worth more. But what do you think?" Most of them are gonna go along with what I say. I mean lots of them dig in and say, "Oh I'm not taking that. It's not enough." If I think it's enough, I'll back it up until I can get them to sign it.
>
> You say, "My house is worth a hundred." And I say, "Well the house next door just sold for a hundred. What would you have paid for that? What would you pay for yours." Now being realistic, like you have to put them right on the spot. If you have your homework done, and if it's sensible, it'll work. If it's not sensible, it's not gonna work. Now I'm not saying I'm successful everytime. But I certainly won't let them be angry when I leave. I'll turn it around so that we're still on the right track. [I-62A]

Many agents have witnessed deals fall apart over what seems to be the most trivial things. Because people's hopes or futures as well as their senses of self-worth are often on the line, the negotiation process often becomes emotionally charged. Thus, it doesn't take much for people to back away. Agents often become annoyed at those whom they define as "headstrong," and frequently end up as targets of some resentment, themselves. Should a deal fall through, so might their relationship be seriously strained. By successfully redefining the situation, the agent may not only make the deal, but may also regain their trust and save the relationship.

ENCOUNTERING OFFERS

It seems only natural that vendors would want to get as much as they can get for their homes. On the other hand, they are aware that writing it back essentially disqualifies the first offer. There is no guarantee that the buyer will continue to pursue the property. If they leave it alone, then they have a deal. Yet, most will counter-offer if they think the offer is inadequate, or if they believe the purchaser will sustain interest and "come up."

However, if they are in a must-sell situation (experiencing closure), they may elect not to write it back. Under these circumstances, even offers that appear to be "unreasonable" are more likely to be accepted. It is with these possibilities in mind that some buyers may persist in their efforts to seek out desperate vendors and "low ball" them.

Reasonable Offers

Some vendors are easier to please than others. In one case, the vendors bought their first home at a time when prices were low. They were pleasantly surprised when they learned how much the market had improved, years later, when they decided to sell. When an offer came in which was six thousand dollars below their asking price, they perceived it as a good deal and were willing to accept it. Their agent realized that they could get more and prompted them to write it back. While they would have been happy to have sold at that price, they took their agent's advice and wrote it back for more. The point here is that the offer seemed

"reasonable" to the vendors and they were willing to accept it:

> [Vendor] We were offered $6000 below, but even that price we were so flabergasted at it, we thought, what's wrong with it? Take it. He (agent) got them to raise it up and got us more for it. He said, "Look at the things you've done to this house. You should ask for more." The other agent looked so insecure that the whole deal went through. Our agent would say, "No, no, no, look at this!" And the other agent would say, "You're right," and couldn't make him go down. I think he got it for $115,000 and we were asking $118,000. He thought we should stick with our price, that we could get it up. But we were so happy with the price, and that if we sell it, we don't have to worry about it. So we were happy with the price. [I-1]

Sometimes vendors find themselves in pressure situations (experiencing closure) where they have to sell their home in order to acquire another. In these situations, they may accept any offer that seems "reasonable" rather than risk losing both deals.

Having their hearts set on buying a home which they had found, and recognizing that they would have to sell their home in order to do so, the following vendors accepted an offer that was slightly lower than what they originally wanted. Submitting a counter-offer, for any reason, virtually nullifies the original offer and makes it possible for purchasers to change their minds. They were also counting on their agent to "make concessions" by lowering her commission by five hundred dollars. While they hadn't bought the second home, they were confident that they would be successful in acquiring it:

> [Vendors] {Husband:} Well, I thought about writing it back, and then I thought, well, I accepted ninety thousand, before, why not accept it now. My real estate agent said she'd do the same deal for me, take the cut in commission. And, we basically said, "Do we want to lose this deal over a thousand dollars?" {Wife:} She (agent) didn't think he'd go any higher. She said she didn't.

> He had no money or something. {Husband:} She said he was barely scraping his money together to get the downpayment for this. When we asked if he'd go any higher, she said, "I don't know." So he might have, but we weren't willing to, we didn't want to lose him, over a thousand or two thousand dollars. {Wife:} Because this house in (town) was still going on during that time. And we thought we were gonna get this house in (town). [I-69]

Similarly, the following vendor bought another home before selling her current one, and she did not want to be stuck with two homes. According to her agent, she was content to sell the home at her minimum acceptable price, rather than risk ending up with the alternative:

> [Agent] She had her bottom line worked out on what she could sell her house for, to be comfortable buying that other one. She had a bottom line worked out and, they gave us an offer, we wrote something back, at my suggestion, and they did exactly what happens so often. They split the difference. I felt they would. And that splitting the difference put it right on the bottom line for her. And they had a couple of conditions, but they had already sold their house, so there was nothing to be concerned about. So she said, "Let's do it." So she just accepted that second write-back from them, and it got done. [I-61A]

Unreasonable Offers

Most people, it seems, have some idea of what constitutes fair play. Buyers want to feel that they are not getting taken, while vendors want to feel that they are not being unduly squeezed into accepting less than a fair price. When one party gets the impression that the other is getting the better end of the deal, trust becomes problematic and the reaching of an agreement less likely. This study has shown that negotiations often cease when buyers or sellers define one or the other as "unreasonable" in

their requests. As the reader can surmise, the failure to locate limits, make concessions, or to provide consolation may be part of what one party will consider "unreasonable." We might also add that if a deal is not struck, it is not unusual for agents to become the targets of disappointed vendors or purchasers.

Since buyers are already sold on many aspects of the property, and vendors define outcomes largely on the basis of money obtained from the property, the main obstacle to completing a deal is usually price. Vendors who hold out for higher prices, especially in slower markets, frequently end up with less, or in some instances, may not sell at all. Market conditions can change quickly due to a variety of circumstances, most commonly changes in interest rates, and, while prices can go either way, they may be far more problematic for vendors, and, hence, listing agents, when they drop. Agents, therefore, usually encourage vendors to seriously consider each offer, and to treat each offer as if it were the only one. Still, even agents will be reluctant, or may refuse entirely, to present certain offers to vendors because they view them as unreasonable (even though they are legally required to present all offers). In part, they do not want to waste people's time, and they do not want to incur the wrath of vendors who find the offer insulting.

The following buyers recall their experiences with inflexible vendors whose home they were trying to buy. It seems that market conditions had changed, but the vendors wanted a price for their home which more reflected the stronger market of a year earlier.

The prospects wanted the home but were offended that the vendors were unwilling to come down from their asking price. Viewing them as unreasonable, the prospects decided to look for another home:

> [Prospective Purchasers] {Wife:} The third one, it was a house in our neighborhood. Our agent found it for us. It was a really nice house. It had a lot of the features that we liked, but the people were not willing to come down in price, and it was priced way too high for the house that you got. {Husband:} They wanted what they had listed it for a year ago, and they were firm on that price, no bending one way or the other. We went up half way towards their price, and it was only a difference of two or three thousand dollars, and they wouldn't come down. {Wife:} They wouldn't come down a penny. {Husband:} So I said, "I'm not going to deal with people like that. They can keep it if they want." [I-43]

Offers which are exceptionally low (low-ball offers) are usually considered to be "unreasonable." Just as Roth (1974) found that doctors were likely not to grant home visits where patients were unreasonable in their requests, vendors often respond in much the same way. In many cases, low-ball offers are rejected, outright. Where vendors do entertain low-ball offers, there is a tendency to counter-offer with, or close to, the asking price. Something akin to a power struggle may emerge between the two parties.

The following vendors rejected several offers which they considered to be too low to warrant serious consideration. They found it offensive and were consequently unwilling to negotiate further with the prospects:

> [Vendor] Like we were getting offers up to twenty percent under. That's a little maddening. Like people come back and say they don't have that much money. Well if they don't have enough money for a $130,000 home, they should be looking at a $110,000 home. That really maddened me. You're asking a hundred and thirty and they only have a

> hundred and ten. Then you don't look at this home. I mean you don't come in and make an offer of one hundred and five if you can't afford one thirty ($130,000). I could look at a $300,000 home and put an offer in of one eighty, and if they say, "Hey, what is he doing?" I could say, "Well I don't have that much money." You might find one in a thousand people you'll get it from, if they're desperate. [I-23]

While some vendors like to test the market by pricing their properties on the high side, others will price their properties to get under the competition. However, when vendors price their properties (lower) to sell, they seem more apt to be offended by low offers. While determining just how much is too low or unreasonable is a matter of definition, when people think their home is well priced, the tolerance gap is usually narrow. When confronted with a low offer, they may elect to reject the offer, outright, or write it back at full price.

One vendor, who desperately wanted to move, priced his property consistent with the assessed value (which is generally lower than market value). The first offer, $6,000 below his asking price, was rejected completely. And while the home was in exceptionally good condition, very well priced, it was located on a busy corner with very little property outside of the building. The vendor did, however, accept a second offer which was $2,000 below his asking price:

> [Vendor] It sold before it hit the MLS. We had two offers. The first one was brought in by our agent's brother, who is the top producer in this city, but it was $6,000 below asking price, which is pretty significant in the lower price range, and we turned it down. It was too low. [I-64]

A good example of a vendor turning against her (listing) agent

when he supported another agent's low-ball offer can be seen in the following excerpt. The vendor suspected that the agent, with whom she had been previously listed, was not working with her best interests in mind, but those of the purchaser. When presenting an offer, agents frequently form a "team" (Goffman, 1959:104) in relation to the job at hand, that being, to negotiate a successful deal. In addition, they form a team with the purchaser or vendor whom they represent. A team cooperates to make possible certain concealments and team secrets in order to sustain a given definition of the situation. Vendors and purchasers are not always aware of the extent to which agents work together and sometimes share "team secrets." In this particular case, the vendor got the impression that her agent had deserted her and joined the other team, an obvious violation of trust. He showed no apparent regard for the price she expected nor the early closing date. Not only did she reject the offer, outright, but she disinvolved herself from the agent once the listing expired:

> [Vendor] Another agent came in with an offer and he wasn't representing us. She wanted us to accept a low offer and move out within 30 days. We said, "If we have to move in 30 days, then give us full price." She said, "What do you expect these people to do, board in a hotel?" Our agent, all the time, was nodding in agreement with her. I said, "Do you expect us to have to go to a hotel?" It was obvious that he talked to her and the two of them were working together to get the best deal for the people wanting to buy our house. If I had of accepted the offer, by the time commission was taken off, we would have given the house away. He wanted us to accept $30,000 less than we were asking [Private Vendor whose Listing Expired, I-19].

At the time of the interview, she was attempting to sell privately. Her distrust of agents was apparent when she requested

that I leave, after providing me with a brief, untaped interview. Reflecting Goffman's (1963) notion of "courtesy stigma," it was apparent that her distrust was transfered to all real estate agents, due to her negative experiences with her previous agent.

When buyers ask for extra items such as the appliances, window coverings, or other "chattels" (removable personal property), this may also upset vendors and make agreements difficult to reach. Agents like to make a good impression on their buyers by getting these "extras" for them, but this can put the sale at risk. Vendors may feel that they are being squeezed and get angry with buyers or their agents.

One vendor recalls how upset he was with the agent representing the buyer for asking the buyer what other items he would like included in the agreement. It is important to note, that beyond their monetary values, some items have deeper meanings to vendors. In this particular case, the vendor indicates that if the buyer had insisted on the items, he would not have sold as a matter of principle:

> [Vendor] Their real estate man, the people who bought my house, "Oh look at that wine rack, we'll take that." "No you won't take that. It's a gift to me. It belongs to me." "Well it's attached to the wall." "No it's not attached to the wall. It's on picture hooks." "Well we want it anyways." "Well you're not getting it." So that kind of thing, there was a lot of negotiation on personal things, which, you don't go into a house and say, "Well I'll grab that art as well." And they felt maybe that I was anxious to sell. I would have said, "No!" Over that wine cabinet, I would have not sold the house. It's the principle. Like you do not grab my personal belongings. And there is that kind of thing.
>
> I think it was written back and forth about three or four times, not because of the price, but because of the things that they wanted. Like they wanted that stove

> that was left sitting here. And I thought, no way, I'm not gonna sell that stove. I want that stove. It's beautiful here (in new home), and there's no reason why you should have it and you're not gonna get it. Again, it was non-negotiable. [I-58]

It is apparent from the above illustrations that people (vendors, purchasers and sometimes agents) have different ideas on what constitutes "fair play." Reaching an agreement in the purchase and sale of a home is most often contingent upon both parties (buyer and seller) perceiving themselves as winning, or certainly not losing, on the outcome. Negotiations are jeopardized when either the buyer or the seller or their respective agents are viewed as unreasonable. In this case, a deal was completed, but the agent representing the purchaser upset the vendor by trying to get as much for the purchaser as possible.

CHAPTER SUMMARY

This chapter has looked at some of the things agents do to put a deal together. Effectively, from the time they begin working with a vendor or prospective purchaser, the shaping and reshaping of the perspectives of those with whom they are working takes place. The major steps in the buying-selling process, from its inception to the reaching of a deal, where the agent has the greatest opportunity to be influential, was the main focus of this chapter. A final section examined buyer and seller experiences, particularly in reference to what they saw as fair or reasonable, and what they envisioned as obstacles to reaching an agreement.

One of the major concerns agents have when dealing with

vendors, is in regards to the way their home appears to prospective buyers. Aware that clean, tidy, structurally sound homes are the easiest to sell, agents may utilize certain strategies to motivate vendors to make their homes show better. Recognizing that relationships may dissipate if vendors see their suggestions as insulting, agents sometimes find themselves "providing hints" and hoping that the vendor will take them. Occasionally, after the listing is signed, agents may "present ultimatums" to vendors, requiring them to make specified repairs. Otherwise, agents may threaten to withdraw services or diminish their efforts. A third strategy was "coaching on concealment" wherein agents suggest that vendors cover obvious defects so as not to discourage potential buyers from making offers.

How agents "show homes" was also examined. When agents show homes, what they point out to prospects may be contingent upon which party they feel they are representing, and whether or not they want to sell that specific home to their prospect. One strategy, utilized more commonly by agents, is to "focus on the positives" or more attractive features of a home, and either to ignore the negative features, or present them in more positive terms. When it is the listing agent who is showing the home, particularly to a prospect who drops by an open house, the agent's allegiance is apt to be much stronger to the vendor. In such circumstances the agent is likely to try and "conceal defects" or avoid pointing them out. On the other hand, where the agent is showing another agent's listing, and is trying to build a

relationship with a prospective purchaser, the agent is likely to point out possible defects. While the agent may be concerned about the prospect, the agent may, on some occasions, disqualify certain properties so that he or she might guide prospects toward another property which is more profitable for the agent to sell.

It was also discovered that agents may invoke strategies for "promoting offers." One strategy employed by some agents is to "manipulate the selection" of properties to be shown to a prospect. Most commonly, agents will set the showings up so that the last property to be shown is the most attractive and best priced. They do this by showing a number of less attractive, overpriced properties before the one they wish to sell, usually their own listing. Two "closing techniques" were also discovered. They include "closing by assumption" and "closing by inquiry."

The "strategies for reaching agreements" were also examined. Four strategies utilized by agents arose from this study. They include (1) encouraging role-taking, (2) locating limits, (3) making concessions, and (4) providing consolation. Agents know that when buyers or sellers appear to be unreasonable, negotiations tend to go nowhere. When confronted with buyers who want to low-ball vendors, or vendors who seem inflexible concerning their asking price (particularly if it is overpriced), agents often "encourage role taking" (to take the role of the other) in order to get them to be more "reasonable." Sometimes agents are able to "locate limits" (discovering the vendor's minimum acceptable price and/or the purchaser's maximum limit) in order to minimize the guess work

associated with pricing. Doing so makes it easier to facilitate a deal, although it could mean less money for the vendor, or the purchaser could end up paying more, depending on the particular parties with whom they share that information. Aside from price, "making concessions" may help to faciliate a deal. A variety of concessions were discovered, and any of the parties involved may offer concessions in order to make a deal happen. Assuming that both parties are not always happy about particular offers, agents may "provide consolation" in order to reshape the perspectives of those who perceive themselves as losing on the outcome.

We also looked at the experiences of buyers and sellers when "encountering offers" in terms of what constituted a "reasonable offer." Offers which are viewed as reasonable tend to be close to the expectations of the judgemental party and/or are thought to be fair. Making such an assessment, of course, is very much a matter of definition. The circumstances in which vendors find themselves, perhaps buying conditional on the sale of their home, also influences their notions of acceptable arrangements.

The next chapter looks at "reinvolvement" in agent-client/customer relationships. Here the experiences of satisfied customers will be discussed, along with agent strategies for building long-term relationships, and thus, promoting reinvolvement at a later date.

CHAPTER X

RENEWING RELATIONSHIPS

Once a deal has been reached, the relationship between an agent and his or her client or customer, for the most part, has reached an end. The agent's job is essentially done and it is now up to the two parties to the transaction to follow through with what they agreed upon. Often, though, agents maintain contact with clients or customers beyond when the paperwork is competed, addressing concerns or attending preclosing inspections, in attempts to avert potential problems (even though their powers of resolution may be quite limited). Should they require the services of an agent in the future, they may or may not contact their previous agent. Given that many agents want to build or maintain a strong client base of satisfied customers who may contact them should they want to buy or sell again, agents may develop strategies aimed at maintaining contact with them. On the other hand, there are also many instances where agents do not maintain contact with previous customers, and yet some customers later seek them out when they are interested in making a move.

According to Prus (1989a, 1989b), "reinvolvement" is a more viable option when disinvolvement and other alternative options appear less attractive. Reinvolvement is more likely to take place, according to Prus, when the former relationship parted on friendly or congenial terms, when patrons experience a sense of disenchantment with new products, or when there are changes in either party which makes renewed contact more attractive. As with

initial involvements, reinvolvements may involve: seeking the services of an agent with whom a customer was previously involved (seekership); responding to promotions from an agent with whom they once had worked (recruitment); or the need to return to an agent to meet pressing obligations (closure).

This chapter examines the renewal of the agent-client/customer relationship. While agents more commonly promote reinvolvement by (1) facilitating successful outcomes, (2) maintaining contact, and/or (3) being truthful, they are also dependent on client concerns at later points in time. Becoming reinvolved may also be contingent upon (4) experiencing disenchantment with subsequent agents. This may occur following a change in agents. Should vendors find themselves more disappointed with the second agent, they may, by comparing the two, conclude that the earlier agent wasn't so bad after all. While not a frequent occurrence, they may renew their relationship with the previous agent.

FACILITATING SUCCESSFUL OUTCOMES

While I've encountered purchasers who had problems with particular agents and later returned to the same agent, people seem more apt to renew relationships with agents when they are "satisfied with the outcome."[1] Especially in slow markets, when there is a large supply of houses for sale and a small demand, fewer vendors are going to be able to sell. Agents who can attract a buyer and bring

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[1]Lesieur (1977) also found that "experiencing past success" was one element which promoted the return to gambling of those who had quit.

about a sale are more likely to have a satisfied client, and that is, perhaps, the first element in promoting reinvolvement. Similarly, buyers who feel their agent went that extra distance to find them a suitable home, are likely to view the agent more favorably should they need an agent in the future.

When agents manage to sell a home at fair market value, they often feel they've provided good services to their vendors. With his frame of reference being a slow market when it is tougher to sell a home or to get an acceptable price, doing so, according to the following agent, helps to foster long-term loyalty:

> [Agent] And the biggest service is getting their house sold. When you get a person's house sold, for fair market value, particularly in this marketplace, that's the best service that can be provided. [I-32A]

Needing a spacious home with wider hallways and doorways to eventually accommodate a wheelchair, the following informant was appreciative of her agent for finding one for her. Even though the agent made mistakes which resulted in some costs to the purchasers, they were committed to the agent and indicated to me that they would use his services should they move again. They ignored the mistakes and focused, instead, on the overall picture, that being, satisfaction with their new home:

> [Client] (agent) was fabulous. He still is fabulous. He still comes over. He brought us the Easter lillies. So he still brings us stuff. He wants us to, you know, any friends that need a house. And, of course I'll recommend him, because he went that extra mile, and, especially with my particular situation, that was really important for me. [I-43]

MAINTAINING CONTACT

For agents wishing to build a clientele, it seems that one of the most important things they can do is to maintain contact with their previously satisfied clients and customers. Not only might they be recommended to friends and family members, but since people may move several times, they may benefit from that. Also, it's easier to work with these people than to be constantly looking for new business.

There are several ways in which agents may maintain contact after the sale. They include: (a) forming friendships; (b) providing information; (c) giving gifts ; and (d) providing entertainment.

Forming Friendships

> [Client] We're friends with our agent. We've been to her house and she was here for our daughter's birthday. [I-57]

Getting previously satisfied clients and customers to think of them as "friends" is the ultimate goal of most career-oriented real estate agents. It is much more difficult for a friend to be disloyal to a friend than to someone with whom the ties are weak. Angrist (1984) makes reference to the importance of friendships in her study of real estate agents and Hayes-Bautista (1976) notes how medical practitioners attempt to prevent disinvolvement by getting patients to think of them as friends. Prus and Irini (1980) also pointed out how the pull of "friendships" in the hotel community led to hookers and other members returning to the community, or to

their old jobs once they had left. Even Lesieur's (1977) gamblers were lured back to their old ways by the influence of gambling friends.

"Friendships," however, are not always initiated by the agent. There seems to be a strong desire, particularly among satisfied buyers, for the agent to become "their friend." Should the agent not be receptive, then reinvolvement is probably less likely. For high producers, the task of maintaining friendships with a lot of people becomes difficult, so other ways of maintaining their loyalty may make more sense.

The following informant demonstrates the importance of "forming friendships" for the continuing of relationships beyond a sale and the renewal of the agent-client/customer relationship. First of all, the vendor was grateful that the agent found her and her husband the kind of home they were looking for which met her special needs. Second, he brought them a gift (flowers) for Easter which gave them the impression that he is thinking of them. Third, his socializing with them moved the relationship into the category of a friendship, at least that's how she sees it:

> [Client] Actually a house exactly like this went for sale a couple of weeks ago. I asked him to get me the listing because I wanted to see how much it was listed for. And he called me and let me know how much it sold for. So, just to keep an eye on your own property so you know how much it's worth. He brought us an Easter Lilly last night, and we're always talking about, "This is our friend, (name), the real estate agent." And we go to their house for parties and they come here. They're friends. So we still have quite a bit of contact. There's no problem with me ever calling him and asking him, "Hey there's a house for sale on the street." [I-43]

On the other hand, this couple had a series of disasterous

encounters with a previous agent and were relieved to work with someone else who, I might add, had the advantage of addressing and remedying the complaints directed towards the previous agent. Buying them an Easter Lilly was appreciated by the vendors and helped to solidify, not only their long-term loyalty, but them as a source of referrals. Not all agents bother to do these little things which sometimes mean a lot to their clients.

Another purchaser, experiencing disappointment with the first agent he contacted to find him a home, seemed to be attracted to a second. This particular purchaser had few good words to say about agents in general. The fact that this agent dressed like him and liked many of the things he did, gave them a common ground upon which to build a trusting relationship. He was pleased, as well, that the agent was initiating a friendship. To him this meant that he was more than just a sale to the agent:

> [Purchaser] A month from now I might have something different to say, but the fellow we ended up using down in (city), I've spoke to him a number of times, and at least three times, just social only. Nothing at all to do with the real estate business. And he just told me a couple of days ago as far as our business is concerned, we're done. We don't need to have anything to do with each other anymore. I mean, he sold the house and everything else has been done long ago, but he's put us in touch with mortgage people, insurance people, roofing people, because I need to put a roof on the new house. And he's got a friend who does it and guarantees me I'll get a good deal. So he's put me in touch with a number of different people. He didn't have to. And everyone he's put me in touch with are people I would probably do business with. But also, I told him, "I probably won't see you anymore." He said, "Oh yeah, you will." He said, "Because once you move in, I'd like to stop by and see you within the first week or so, if that's okay." And I said, "Well yeah, definitely, love to see you." And he said, "Even if my schedule gets too busy and I can't make it, hopefully, once you get moved in, you

know, you can find the time to give me a call and we can go out and do some fishing or something, together." [I-70]

Not all friendships involve socializing in other social contexts. More commonly, the agent may drop by once in awhile for a casual visit, maintaining contact with previous clients or customers through this type of personal contact. The following agent refers to it as the "personal touch." She also presents them with a closing gift and sends them a calendar to keep her name up front:

> [Agent] I always ask them before the closing, "Is everything all set? Have you talked to your lawyer and did everything you had to do."
>
> After the deal is closed, I'll call them. "Are you settled yet? I'd like to drop in." And I drop in and have a cup of coffee or tea with them, and take them a gift. And then call them every once in awhile after that. "Is everything okay with the house?" Sometimes a letter. I did a nice thank you letter for some of them. Every year I send calendars out to my customers/clients and send a little note. Some of the agents are really good with their computers in sending regular letters and asking for referrals from friends and that. That's something I'll be working towards, but not yet. I still do the personal touch. [I-25A]

A purchaser echoes the same appreciation for the agent maintaining contact. In this case, she was a friend of his mother-in-law's. He was appreciative of her keeping in touch with him and sought her services when he was ready to buy another home. Subsequently he bought and sold through her:

> [Clients] {Wife:} Christmas cards, anytime she made any movement or anything happened in her life, she let us know. She was at our wedding. {Husband:} Even if they just call once every six months and just say, "How's things going?" You know, it's nice to hear from them. {Wife:} After he bought this house she kept in touch a lot asking and making sure he was happy with it, how he liked it after he moved in, if everything was fine.

> {Husband:} One reason I say that is I haven't owned a house for a whole long time, and while I have, she's been very great, but I bought a new car about six years ago and for about the first three years the fellow that I bought the car from called about every six months. And we just thought that a salesperson would do that. He just asked if we had any problems and stuff, but, I know it has nothing to do with real estate, but on the same line, he's a salesman and it's kind of nice to hear back from him. {Wife:} She (agent) was great. [I-69]

A similar theme came up in the interview with another purchaser. There were the personal visits, interaction with family members, and concerns for settling in. This resulted in the client perceiving the agent as sort of a friend and someone who has their best interests in mind:

> [Client] Actually I babysat their little boy one day for him. He came by at Christmas. He came by two or three weeks after we moved in to make sure that everything went all right. And we just saw him recently at the grocery store. And he wanted to know how the house was and if we were still happy. It's nice to see that you're not just business to him, you know, that you're personal, you matter. And we never felt that we were just more people looking for a house. You know, he took the time to get to know the baby. The baby was just young when he first met him, and he'd hold him. So, he made himself like a friend. So that was nice. {Researcher: If you were selling again, would you call him?} Definitely, definitely. [I-52]

What often happens is that agents lose interest in maintaining contact after a certain period of time. Perhaps they get busy with other things or get the impression that some of their clients are unlikely to be interested in moving in the near future. They may, therefore, put their concentration into hotter prospects and neglect previous clients who may eventually require their services. This may be disappointing to some clients and could result in their seeking the services of someone else, should they decide to buy or

sell in the future:

> [Client] Every year he gives us a Christmas calendar. He didn't last year, though. He gives you a letter. At least the guy still remembers you, is willing to work for you, and wants your business. But I guess it even goes back to the personal touch. In the first two years, he called us every other month to see how things are going and how's the house. Then he always mentions, if you're going to sell your house..... but he hasn't sent us in the last year. [I-1]

For high producers, maintaining contact through personal visits, socializing in other settings, or becoming friends, may be a difficult task since they usually have a large client base. Certainly, they do form friendships with a small number of their clients. However, most high producers also employ other, less intimate means of keeping their name in front of their clients. Regular mailings and giving gifts are two common ways of maintaining contact.

Providing Information

While there are several ways in which agents can maintain contact with previous clients, the most popular way is by "providing information." Many high producers do mailings of newsletters to their clients on a fairly regular basis, usually every two or three months. Especially when they have a large client base, this seems to be the most practical way of maintaining contact. The idea here is to keep their name fresh in the client's mind in case they develop an interest in making a move:

> [Agent] I keep in touch with them regularly. I make it known to them that I want to be their real estate agent for life. I want to view them as a client for life. So I have a regular mailing program. I try to contact them

> personally, but that is very rare. I'm more on the mailing sort of side of things. If it's basically somebody that has bought or sold something through me, they would get mailed four to five times per year. Maybe a little bit more, intended to do a variety of things, but primarily it's just a letter, "Hi, I'm still in the real estate business." Send a copy of my new listings. Ask if they're interested or if anyone else they know is interested. So it's nothing elaborate, just primarily keeping in touch, keeping my name in front of them, letting them know that I'm still around. And letting them know if they have a need to speak to me, they're most welcome to do so. And they'll get that handled confidentially. [I-32A]

While the content of letters varies from agent to agent, the following agent acknowledges the importance of providing meaningful information and of regular mailings:

> [Agent] You have to analyze everything. This is a very, very expensive business. And you can't do hit and miss, and that's part of the learning process, which is hit and miss, which is unfortunate. I really, really don't think they teach you in real estate how to run this like a business. Because this is a business. The fall-out rate of running your own business is dramatically high. And really when you are in real estate school, they should also have a section in the course, of how to run this like a business, cause that's what it is.
>
> I have a mail out on a regular bases about every two months. Just whatever comes in my mind that month. You want something of value, you want something important. Just to give like a cooking recipe or something, big deal. You want something from their perspective. If I'm going to list my house or if I'm going to buy a house, why do I want to keep this piece of paper. You can't give them something fuzzy. There's too much junk mail to begin with. They're too expensive these mail-outs. They've got to be important. And then of course there's some that you do connect a bond with. And then I'll keep in touch with on even a more regular basis. [I-30A]

In some cases, agents get outside help in constructing informative letters to gain an edge on their competitors. The following high producer, who works with his wife and son as partners, gets professional help with their letters:

> [Agent] You see this business, I don't know whether, if you have a gas station and you have the same guys come in you pump to the same guys all the time, and the odd time you get a transient and you get somebody new, well the thing I find about real estate, and my son initiated this, too, is we keep in touch with our large number of clients. How do we do that? We have a news letter and we promote (this city). We talk about the (entertainment center). We talk about what's coming. We talk about interesting things that people want to hear about from this area. If there's a new company moving in. And we talk about when the spring comes, what kind of fertilizer to put on your grass, and what kind of latex paint to use when you're painting your house. It's sort of a newsy type of thing, and although it's time consuming, my wife has a connection with somebody that actually prepares it for us, and she's very much involved in this. [I-33A]

By providing meaningful, helpful or interesting information, clients are more apt to read the material carefully rather than disgard it. It is also likely that clients may retain the letters, especially the helpful hints, which serves as a reminder of the agent.

Giving Gifts

In addition to newsletters, agents sometimes provide "give-aways" or promotional gifts such as refrigerator magnets or calendars with their name on it, in order to keep their name readily available to their previously satisfied customers:

> [Agent] Now I'm trying to keep in touch with people every two months, but I never used to do that. I send a letter. It's a combination of a personal letter, a flyer with my current listings, and a give-away, like a fridge magnet, note pad, Christmas card. The item that I send them is worth maybe fifty cents and maybe fifty cents for the letter. So it's maybe a dollar per person. Compared to newspaper advertising, that's not bad. So if I mail to a couple of hundred people, it's maybe a couple of hundred dollars. That's about $1200 a year. But I spend $7000 or $8000 on newspaper advertising, so that's not that much really. And you probably get just as much out

of it. [I-24A]

"Closing gifts" are also provided mainly to buyers at the time they move into their new homes, or shortly thereafter. Closing gifts can also serve as reminders of the real estate agent in much the same way as promotional items. The main difference being that promotional items usually bare the agent's name and telephone number, whereas closing gifts are usually functional or decorative, and are certainly more expensive. While some agents give a bottle of wine or a basket of household goods (cleaning products, etc.) for a closing gift, one high producer suggests that she gives them a gift which cannot be used up or discarded. The closing gift she provides is intended to remind them of her for many years to come:

> [Agent] I thank them after the sale. Our office automatically sends them a letter, saying, you know, we'll send this to the lawyer, here's the (gas company) number, you known all the information, which is excellent here (at this company).
>
> And then, when they move in, I take them a house gift. I generally take them something that they can look at, like with a bottle of wine, then it's gone. It would be something wine sits in if it's going to be a bottle of wine. But not a flower that's gonna die. It'll be something that sits, that they can say, "My agent bought me that."
>
> Then, the anniversary of their sale, they get an anniversary card. And, they get a Christmas card. And, twice a year we have letters go out from this office. See I'm in this office not quite two years. So this is kind of new to me the letters that they automatically send out. So twice a year, everybody that I have a name of, gets a newsletter from me. So that's excellent. [I-62A]

The importance of maintaining contact and sending something like an annual calendar with the agent's name on it is evidenced in the exerpt from the following informant. Since the agent kept her name before the client, the client sought her help when she was

ready to sell. Her experience also suggests the importance of agents informing their clients when they make a move, for it was another agent who told the informant that the agent had changed offices:

> [Client] She (agent) periodically popped in to say "hi," and sent pictures of your house on a calendar each Christmas. I probably would have forgotten all about her if she hadn't kept in touch, so I chose her again. If she hadn't, I would have called the company where she worked and had them send an agent to list the house. Actually, it was another agent in her office (former company) who dropped by and told me that she had returned to her former company, so I called her. [I-46]

Providing Entertainment

Somewhat unique is the following agent's style of "providing entertainment." Prus (1989a) addressed this process in terms of salespeople taking prospective customers to lunch. According to the following informant, she helped serve the agent's previous clients and customers at a "casino night" which he held for them. This was his way of maintaining contact with them. Seeing this, she asked him to represent her in the purchase of a home:

> [Purchaser] He's not your average real estate agent. He does look out for the clients. He has a good rapport with them. I've been to a couple of parties that he's put on for his clients. He spends, you know, a few hundred dollars at Christmastime and buys, like eighty people, a Christmas gift. He's not a regular real estate agent. He's a nice guy. He comes from (a small town in Ontario) and he's just like a country guy down in the city. I'm sure he's told a few white lies in his time because he doesn't really know all of the information. I think on the whole he's pretty honest.
>
> When they moved into their house, he had a casino night, and I helped out that night, and his wife was serving appetizers and stuff like that. So I met like quite a few of his clients and like this was all this party was. It wasn't friends. It was for his clients.

> He got some donation gifts, but he put a few bucks in buying a bottle of this and a bottle of that to raffle off. He had all this Johnny Cash money that he used for this gambling and then whoever had the most money, got to bid on these prizes at the end. And he had a karaoke machine there. It was like a party and this was just for his clients. I think he's a good guy. He has one of those great big blow-up bears when he's doing open houses. I'm not one for real estate agents, but if I had to pick, yeah, he takes the cake. [I-49P]

BEING TRUTHFUL

Reflecting Prus' (1989a) idea of "expressing sincerity," one agent suggests that he maintains the loyalty of previous clients by "being truthful" with them should they call him in regards to the possibility of selling their home. In other words, if he anticipates that he will not be able to get them the price they expect, he will advise them to stay put rather than encouraging them to list when it's to his advantage, rather than in their best interests:

> [Agent] In terms of services, primarily when it's a seller, the main thing is telling them the truth, whether they like it or not. Many times I'll have past clients call me up and say, "You know, I'm thinking about selling. What do you think my house is worth?" I'll run off some computer details and be back to them on the phone in five minutes. These are the facts. "Oh, gee, that's a lot less than what I thought. Do you think I could get more?" "No! Don't sell your house! Stay where you are!" And I tell many of my clients that way. So, in terms of being truthful, I don't try to get someone to do business for the sake of listing a property. Cause that in fact backfires for you and you end up losing clients. [I-32A]

Satisfied clients tend to remain committed to agents whom they view as honest and trustworthy. The following informants met an agent while selling their home through another agent. The listing

agent left the business and the agent representing the purchaser built a relationship with them. They moved to a country property and the two parties maintained contact. When it was time to sell, they sought her help in finding another agent to look after them. This followed an attempt to sell privately and the failure of another agent who recruited them to list their property with him. When they sold and were moving back to the city, she was the agent of their choice:

> [Clients] {Wife:} We had a real estate agent handling our house in (community), and this other lady came in with a client one day, and she sold the house for us, and we became friends, and kept in touch with her all the time we were in the country. When we decided to sell in the country, she got someone up in that area to look after us and help us sell, and kept in touch with that woman all the time. And when we got that settled, she went to town and tried to find us a place here.
>
> {Husband:} She was up front. Very, very honest. {Wife:} And we got to trust her. It was just her attitude. She was up front so she'd tell you point blank whatever she wanted to tell you. There was no beating around the bush. [I-42]

EXPERIENCING DISENCHANTMENT WITH SUBSEQUENT AGENTS

When vendors change agents, they have the chance to compare services. The following agent relisted a home that she once had lost to another agent in her office after the listing had expired. In both instances the home was listed at an asking price much higher than the agents recommended. After the home expired with the second agent, the vendors returned to the first agent and asked her to relist it. They apparently felt the second agent did not put much effort into marketing it, even though it was overpriced, whereas the first agent worked the listing, regardless of the

asking price. Her strong work ethic combined with their disenchantment with the second agent resulted in their becoming reinvolved with her (the first agent):

> [Agent] One that just sold, I had had listed last year. The listing expired. It was overpriced and I told them. They relisted with another agent and it still didn't sell. And they came back to me and said, "(name), you know you worked really hard. Tell us what price and we'll put it at that price." And it sold in a week.
>
> For actual figures, it listed at one seventy-nine ($179,000), reduced to one seventy-four, reduced to one sixty-seven when I had it. The other agent took it at one fifty-two, reduced it to one forty-nine. It didn't sell. I listed it at one thirty-nine ($139,000) and it sold. Which is what I told them when I relisted it the second time. "I'm sorry, that's where it is now. You can put it at one forty-five or whatever, but it won't sell."
>
> They said that they didn't agree with the amount of work the other person had put into it. And I said, "Well I know this other person really well and he's a hard worker, but he also told you you were listing too high." And they said, "Yes, but he didn't advertise" and he didn't do this and he didn't do that. I said, "Well, he probably told you that straight up front." "Well he could have worked it. He could have tried."
>
> When I had it even at one seventy-nine, I would still take people over and show it to them. And I used it more or less as a comparison of what these people are asking to other houses in the area. And I would end up selling another house because of the comparison. So you can still use it to your own benefit.
>
> They said that they liked my work ethics, and even though it was overpriced, I still worked at it. I think, actually, if you worked it out, financially, I'm probably in the hole with the amount of advertising and the time spent selling at $136,500, at 2.5 percent commission. Because that's what it originally had been. And it's difficult to move the commission up. I'm probably not making anything on the deal. But I do know, if they ever want to sell again, that they'll come to me, immediately. And I think after nine years in the business, people coming back to you. Loyalties are built-up. [I-26A]

An interesting afterthought is that the first agent used the overpriced listing as a comparison to help sell other homes. While she claims she did not make much money on it when it eventually did

sell, she may well have been able to sell other homes because of it. The second agent did what many agents do, that is to withdraw services. Since the chances of selling it were thought to be low, the agent kept his investment in the listing, in terms of time and money, to an absolute minimum.

It also appears that the customers learned from their experiences. By comparing the two agents, they were able to appreciate the efforts of the first agent attempting to sell their home, and that apparently prompted them to seek a renewal of their relationship. They were also more willing to accept her opinion regarding an acceptable asking price, the second time round.

CHAPTER SUMMARY

This chapter has looked at reinvolvements in agent-client/customer relationships. The material suggests that renewing relationships are more likely when agents (1) facilitate successful outcomes, (2) maintain contact with previous clients or customers, and (3) are truthful. However, reinvolvement is always contingent on prospect considerations or concerns. In rarer instances, reinvolvement may be related to (4) "experiencing disenchantment with subsequent agents."

"Facilitating successful outcomes" involves the perception that the agent did a good job (more often an exceptional job) and the buyer or seller was, therefore, pleased with the end result. Whether or not the agent really did a great job for them is less consequential than client perceptions. Also, some people may feel

more comfortable sticking with the same agent rather than gambling with a stranger, particularly if they've had bad experiences with another agent.

"Maintaining contact" may take place in any number of ways. Agents sometimes encourage clients or customers to think of them as "friends." In many cases, grateful purchasers seem more than willing to do so, and may even initiate the friendship. However, given that many, many people end up with a different agent several years later, it is doubtful that most of these friendships are sustainable over a long period of time. Because agents have to make a number of deals in a year just to survive financially, they are apt to let many, if not most, earlier contacts slide. One tactic commonly utilized by high producers, is the mailing of information ("providing information") several times a year to those who make up their client base. "Giving gifts" (closing gifts and promotional items) is done by many agents. Closing gifts serve as expressions of gratitude, and, depending on the kind of gift, may be retained by recipients as long-term reminders of the agent. Promotional items such as calendars and refrigerator magnets help to keep the agent's name active in their client's minds. "Providing entertainment," particularly the throwing of parties, seems to be less common, but represents another way of maintaining contact. While many buyers and sellers appreciate the agent maintaining contact with them and, consequently, may feel important to the agent and see their efforts as sincere, agents may have somewhat different concerns. They are more apt to be concerned

with the business aspect of the relationship, that being, to keep their names fresh in client minds, to encourage recommendations, and to promote reinvolvement at some later date.

Agents who are "truthful" and provide honest advice also seem more apt to maintain their client's long-term loyalty. However, honest advice can sometimes be interpreted as the agent lacking confidence. This may result in clients seeking the services of another agent who is willing to tell them what they want to hear. In fact, agents who are honest with vendors whose properties they know will likely not sell at the vendor's price may lose those listings entirely.

When people work with more than one agent, this gives them an additional base on which to evaluate agents more generally. "Disenchantment" (Prus 1989a, 1989b; Prus and Irini 1980) with a second agent, in one case, resulted in the vendors reinvolvement with the first. Given that the home was overpriced for the market, neither agent stood much chance at selling it without a price reduction. After comparing the two agents, the vendors apparently changed their perspectives about the first agent. They apparently felt the first agent demonstrated a stronger work ethic, by advertising the listing and showing it to her own prospects. Consequently, they not only sought her out to list their home a second time, but trusted her opinion in regards to listing price.

CHAPTER XI

IN PERSPECTIVE

The objective in conducting this study was to examine the ways that real estate agents and their clients and customers transact business. The "career contingency model" was utilized to conceptually isolate the stages through which relationships commonly pass. In terms of the model more generally, my goal was to discover the sorts of things (initial impressions, personal qualities, services) which were important to buyers and/or sellers regarding real estate agents in order for them to consent to working with a particular agent. Assuming that choosing an agent to represent them in the purchase or sale of a property was of greater importance than dealing with salespeople selling most other types of commodities, trusting the agent was anticipated to be essential to involvement. In fact, from the review of the literature specifically addressing the real estate setting, it was learned that real estate agents may be self-serving, manipulative, lacking in competence, and may even resort to deception or telling lies rather than risk losing a sale. "Trust" was therefore expected to be at the core of these relationships. Finding out how trust was achieved, sustained, or somehow lost over time was, consequently, an integral part of this study.

Based on the assumption that vendors have reservations about listing with agents and purchasers possess reservations about committing themselves to working exclusively with one agent, this study focused heavily on "neutralization techniques" and strategies

for generating and maintaining trust. The perspectives of all three parties was examined in order to better understand the expectations of buyers and sellers, the strategies which agents invoke at various stages of the relationship, and what actually seems to work. Since relationships do not always work out, when and how relationships come to an end was also explored. We also looked at the activity-oriented, step-by-step processes commonly involved in the buying and selling of homes, in order to enrich our understanding of the reflective and negotiable aspects of making deals, and to capture the manipulative practices which sometimes take place, including the agent's role in this process. Given that agents are generally concerned with building a strong client base, we also looked at the circumstances under which, and the ways in which, agents promoted reinvolvement.

The remainder of this chapter contains a discussion on the research findings in terms of: (A) the theoretical approach; (B) generic social processes; (C) the concept of trust; (D) the study's practical significance, and (E) suggestions for future researchers.

SYMBOLIC INTERACTIONISM

Central to symbolic interactionism and ethnographic inquiry are the following major assumptions. Human group life is (1) (multi) perspectival, (2) reflective, (3) negotiable, (4) relational, and (5) processual. Upon reflection, this study affirms that "perspectives" are shaped by people's past experiences as well as other people's definitions. A buyer or seller's previous

experiences with particular real estate agents will shape the way they see each of those real estate agents as well as agents more generally. In fact, much of the agent's preparation work is oriented towards meeting the expectations of the generalized other. The presentation of self, attempts to develop interest, and attempts to make contact, particularly through solicitation, are done with consideration for what others might think. Demonstrating competence (at listing presentations or when servicing clients or customers at various stages in the relationship) and locating limits (in order to facilitate reaching agreements) also indicates concerns for the perspectives of others.

Human behavior also involves reflectivity. Two aspects of relectivity are self-reflectivity and role-taking. The reflective process is the thinking process with humans addressing their own interests and at the same time anticipating the effects on other people. However, these processes can be more clearly demonstrated in certain situations. When people take themselves into account they are engaging in self-relectivity. Buyers, sellers and agents are taking themselves into account as they consider the consequences to themselves of agreeing to work with each other. As buyers or sellers "establish limits," they are engaging in self-reflectivity. Through reflectivity, people are also able to assess the effects of other people's actions on themselves and to anticipate how others may interpret their actions. Role-taking is demonstrated in buyers and sellers reservations regarding working with an agent, overcoming reservations, assessment of the agent's

competence, commitment or work ethic, and agent's assessments of vendor or purchaser motives. Taking the role of the other is also demonstrated in the ways in which buyers and sellers drop agents (Clueing in to Rejection). Basically, it seems that people prefer to avoid confrontation and, consequently, help the agent to save face. Role-taking also comes into play in constructing and encountering offers, particularly in relation to price. In fact, self-reflectivity and role-taking are integral aspects of negotiating.

"Negotiations" characterize human interaction as people attempt to realign their differing goals into one common objective. While negotiations involve the exchanging of perspectives and are inherently reflective, another aspect of negotiations are "strategies." In chapter two, I distinguished between "preventive strategies" and "remedial strategies." Much of the activities involved in marketing a property reflects "preventive strategies." As was apparent from agents' efforts to foster commitment (chapter seven), doing open houses, advertising, and providing feedback, are done primarily to keep vendors happy, gain their trust, and maintain their loyalty. They are intended to demonstrate that agents know what to do and are willing to work. Similarly, when working with buyers, signifying prospect importance, personalizing encounters and demonstrating competence are ways of gaining their loyalty.

"Remedial strategies," on the other hand, did not seem to play a role in agent-client/customer relationships. Perhaps the

stakes are so great that if an agent makes a mistake, he or she is viewed as untrustworthy and the relationship is doomed. In one case, an agent was reluctant to advertise or to do open houses until prompted by the vendors. While he attempted to remedy the situation by doing plenty of both, he failed to sell the property and the vendors lost confidence in him.

An important part of people's willingness to be influenced or to have their perspectives altered may be their "relationships" with others. The importance of relationships is demonstrated in the sections "attending to third parties" (chapter seven) and "failing to cater to all consequential parties" (chapter eight). It indicates the influence of third parties, particularly parents to first-time buyers. Frequently a parent will help with the downpayment and/or be consulted in regards to the choice of a home. Given that influential third parties usually come into the picture late in the game (typically just prior to an offer presentation), their participation may prove to be an obstacle for the agent. Involving them earlier may not only help facilitate a deal, but save the agent-customer relationship. The sections on "sponsored involvements" (chapter five) and "promoting recommendations" (chapter six) also indicates the willingness of prospects to accept the judgement of trustworthy others in the choice of an agent. In addition, the agent's efforts to "personalize encounters" (chapters five and seven) suggests that being liked, in itself, is important to building relationships.

The "processual" nature of human association might be best

demonstrated by the career contingency model. This model helps us to understand agent-client/customer relationships in their historical/temporal context, and to identify the contingencies which may affect initial involvement, continuity, disinvolvement, and reinvolvement. The next section assesses the career contingency model.

Career Contingency Model

In order to capture the processual nature of agent-client/customer relationships, the "career contingency model" was utilized as the organizational framework for this study. The career contingency model made it possible to capture the temporal dimension of relationships by examining them in terms of the conceptually different stages through which they often evolve. They include "getting started" (initial involvements), "building relationships" (continuing involvements), "ending relationships" (disinvolvements) and "renewing relationships" (reinvolvements).

An analysis of the first stage in the career contingency process, initial involvements, suggests that "initial impressions" are very important to the possibility of a relationship unfolding. Agents are generally conscious of the ways in which they present themselves, both in the media and in direct contact. "Portraying an image of success" through media advertisements, through their styles of dress, or through the vehicles they drive, does affect buyer or seller impressions. While the meanings attached to these things are very much a matter of individual definition, and some

prospects may resent agents who blow their own horns, most are attracted to images of success. Given that initial contact may be brief (such as at an open house), the utilization of interpersonal skills which are evident when agents "express sincerity" or "personalizing encounters" also seems to convey a certain image conducive to building relationships. In addition, by "developing interest" in buying, the focus becomes more activity oriented, facilitating the development of a relationship.

Recruitment, seekership and closure (Prus and Sharper, 1977; Prus and Irini, 1980) were identified as routes to involvement in agent-client/customer relationships. Two types of "recruitment," sponsored involvements and solicited involvements, were particularly noteworthy.

"Sponsored involvements" played a big part in promoting relationships as agents who were sponsored by others (agents or satisfied customers) tended to be viewed as trustworthy. Agents recognize this and many offered incentives to promote referrals from others. This does, however, raise questions as to the motives of sponsors. In terms of agent-to-agent referrals, particularly, agents often do not know a lot about the other agent to whom they are making the referral, and may be doing so primarily out of consideration for the amount of the referral fee. They may be virtual strangers to each other. Other times, they may have met briefly at a conference, course or seminar, and finding each other likeable, may have made a commitment to make referrals to each other.

A surprising finding to me was the extent to which prospects were "solicited" by advertisements. My first wave of interviews was conducted in the Kitchener-Waterloo area, and media advertisements did not seem to provide a good source of new business according to agents whom I interviewed, nor did it play a prominent part in prospects pursuing particular agents. The second wave of interviews was conducted in Brantford, a community with less than one third the population of Kitchener-Waterloo. In Brantford, media advertisements seemed to be an important mode for selecting an agent, and vendors were often willing to act in response to the images projected by particular agents. In other words, they called the agent to come and list their home.

While "seekership" has been identified as a route of entry into a variety of activities, this study has shown that vendor and purchaser efforts to find an agent do not reflect the notion of seekership as conceptualized by other authors. Lofland (1966), Klapp (1969), Prus and Sharper (1977), and Prus and Irini (1980) depict seekers, generally, as having a more deep seated interest to become involved in an activity or lifestyle which seems to be a resolution to problems they were experiencing in their previous lifestyle. In the real estate setting, where people actively look for a particular agent, finding someone trustworthy seems to be their main concern. Most commonly, they seek the services of agents whom they already know, or they contact friends, family members, or other people whom they know (and trust) to recommend an agent to them. Beyond that, seekership really does not come into

play. Prospects, for the most part, are open to being recruited by agents, usually by dropping into an open house or by calling an agent in regards to a specific property (as a result of an advertisement or a for sale sign), at which time they may be recuited, inadvertently. Otherwise, prospects may simply drop into a real estate office and request to see an agent, usually the duty agent, to help them with their problem. Assuming that a relationship is initiated, evaluation of the agent will likely take place as the relationship unfolds.

"Closure" is another avenue of entry into agent-client/customer relationships. This usually happens where one party is stuck with someone else's choice of an agent. Divorce cases are typical, but closure may occur in any situation where someone else (parent, employer) has an interest in the sale of a property. The important point here is that closure seems to have ramifications for trust. Where people are pressured into working with an agent with whom they would rather not, they tend to distrust them, whether or not it is justified. It also seems that agents, rather than trying to demonstrate that they are trustworthy, tend to reinforce the distrust by not working in the vendor's best interests. Knowing that loyalty is doubtful, that they are not liked, may result in agents acting in their own best interests, or the interests of the other party.

Building on Matza's (1964) notion of "drift", and Prus and Irini's (1980) work, the idea that people may need to overcome their reservations for involvement in relationships was

particularly interesting to this research. Given that there is so much at stake in the buying or selling of a home, it was expected that people would be careful about their choice of an agent. Much of our research, therefore, was focused on uncovering the ways in which people overcame their reservations, especially agent strategies or techniques aimed at helping them to do so.

First, the kinds of reservations buyers and/or sellers had for working with agents were identified. It was discovered that prospects' reservations were related to concerns with agents' honesty, commitment and work ethic. Sellers were additionally concerned with the amount of commission agents charged, and that they may not be getting fair value for their money.

Among the strategies agents employed to gain the trust of prospective vendors and to neutralize their reservations included (1) making conversation, (2) personalizing encounters, (3) signifying prospect importance, (4) demonstrating competence, (5) making concessions, (6) using justifications, (7) indicating external consensus, and (8) promoting recommendations.

"Demonstrating competence" seems to be especially important to neutralizing reservations and, hence, establishing trust, due to the competitive nature of the business. When dealing with vendors, agents rarely feel that a listing is automatic when they go on a listing presentation. Many agents have scripted presentations supported by printed materials intended to demonstrate their listings to sales ratios, marketing strategies, etc., in order to give vendors the impression that they are the right person to sell

their home. When making pitches for prospective buyers, they may try to find something which would give buyers the impression that they are more competent than the rest. While contractors of various sorts might be asked for references, which of course they, too, likely screen, rarely is competence an issue at the outset, as it often is in agent-client/customer relationships.

An interesting finding related to notions of "competence" was the tendency of vendors to want to list with agents who "display confidence." Even though they may not have particularly liked the agent due to the agent's boastfulness, they indicated a willingness to list with an agent who appeared confident that he or she could sell their home at close to their asking price. Agents who expressed reservations, suggesting to them that their asking price was perhaps premature for the market, were likely to be rejected, even though they may have been more likeable.

It was also learned that neutralizing vendor reservations may also be related to reaching agreements as to "listing price." This is frequently an area of disagreement with vendors often wanting more for their properties than agents think they can get. Some agents, it was discovered, are willing to "give-in" at the vendor's insistence, generally with the intention of persuading the vendor to eventually reduce the asking price. The consequences for relationships, however, can be significant. While some agents use overpriced listings to sell other, more reasonably priced listings, others may simply withdraw their services. This usually creates tremendous resentment on the part of vendors. Most agents,

therefore, attempt to modify vendor perspectives by "providing rationalizations" or data supporting the agent's point of view in order to get vendors to list closer to their (agent's) recommended price (range). Vendors, of course, may be more willing to accept the agent's opinion, even if it is somewhat lower than what they had expected, especially if they are experiencing pressure to sell.

Once contact has been made, and any reservations prospective buyers or sellers may have had for working with a particular agent have been dealt with, the next stage in the career contingencies process involves "building a relationship." Here the agent's goal is to "foster commitment." As the relationship progresses, "signifying prospect importance," "personalizing encounters" and "demonstrating competence" emerged as processes important to generating trust and promoting loyalty. When working with prospective buyers, the recognition that "third parties" (parents, friends) can be influential and often disruptive to the relationship, particularly when a purchase is being contemplated, tactfully dealing with these third parties may be essential to continuity. While agents may try to shape the perspectives of influential third parties ("pitch to influentials") or to "discredit" them (two strategies discovered by Prus, 1989a), a third strategy discovered in this study was "deferring to influentials." In fact, when it is parents who are supplying the downpayment, agents are likely to defer to them. If they become involved earlier in the relationship, which seldom happens, the opportunity to reshape their perspectives or to address their

concerns (or interests) is more likely. Agents, for the most part, feel it is more important to stay on the good side of third parties, even at the expense of the customer's best interests, rather than challenge them and risk losing the relationship. Where agents elect to discredit disruptors, the third party's relationship to the prospect may be an important consideration.

Given that relationships do not always work out, the ending of relationships was also explored. Prospects are more likely to discontinue working with agents when their expectations of agents are not fulfilled, when the agent's competency becomes doubtful, or if they suspect the agent of misleading them. If these circumstances arise, trust generally becomes problematic.

Normally, prospects want agents to be fully committed to working in their best interests, and expect them to be capable of doing so. Agents generally want a similar commitment. They expect vendors to be serious about selling and not just "testing the market" or trying to deal, privately, behind their backs. When it comes to prospective buyers, agents usually want buyers to commit to working exclusively with them and not waste their time with low-ball offers. Where commitment is ambiguous, on behalf of either party, the relationship may be in jeopardy.

Bringing relationships to an end can be problematic. "Confrontation" seems to be a last resort remedy, but it does sometimes happen where agents refuse to take the hint. "Avoidance" is the most common sign of rejection utilized by both prospective buyers and sellers. However, unsure about what is happening,

agents tend to persist in trying to build a relationship. This, of course, becomes annoying to prospects, who sometimes extend their feelings to the generalized other, making relationship building difficult for other agents. Where it is the agent who elects not to work with a prospect, the agent might "hand them off" to a less experienced agent with the expectation that the agent will get a referral fee, if a sale is realized.

The fourth stage in the career contingency model, a much neglected stage, is reinvolvements ("renewing relationships"). When a purchase or sale is achieved (and all conditions have been fulfilled or waived), the relationship between agents and their clients or customers often formally ends. Should buyers decide to move, again, at a later date, there is no guarantee that they will seek the services of the agent who sold them their home. Certainly, where relationships have a "successful conclusion," satisfied customers are more likely to renew those relationships with their respective agents. Secondly, "disenchantment with subsequent agents" could (and did in this study) result in reinvolvement with a previous agent with whom the vendors were not entirely satisfied. Through comparing and contrasting two agents, people may see an agent with whom they were previously dissatisfied more favorably, especially when they are even more disgruntled with the second agent.

The predominant strategy utilized to promote reinvolvement is "maintaining contact." While agents may use different means to keep in contact (closing gifts, letters with real estate related

information, etc.) in order to keep their names fresh in their prospects' minds, "forming friendships" seems to be especially important to satisfied customers. While other reseachers indicate the importance of being thought of as "friends" for continuity in doctor-patient (Hayes-Bautista, 1976) and mechanic-customer (Regehr, 1982) relationships, it is the real estate setting which seems to be somewhat unique in that friendships outside the real estate setting are actually formed. This was also discovered by Ruane, Cerulo and Gerson (1994) in their study of real estate agents. However, their research did not consider relationships which continued beyond the sale. The realization that pleased purchasers are just as likely to promote friendships as their agent, gives us an indication of the emotional impact associated with acquiring the right home.

The activities related to making deals were examined in a step-by-step format in chapter nine. Looking at it in terms of its temporal dimension enabled us to gain further insight into the dynamics, manipulation and deception which sometimes goes on at various stages in the buying and selling of homes. Rather than regurgitate the findings in their sequential order, it will be more productive to discuss the major themes which arose.

First, vendors, and sometimes agents, may attempt to deceive buyers by "concealing defects." Wanting to sell and to get as much as they can for their homes, vendors may try to hide potentially costly defects. Listing agents, in particular, may be unwilling to point these defects out to prospective buyers. Prospects,

therefore, could be inviting trouble by dealing directly through the agent representing the vendor. While agents representing buyers are more likely to point out defects, they are usually also acting as subagents for the vendor. As such, they are supposed to act in the vendor's best interests, even though, in actual practice, they seldom do. In addition, agents are not formally trained to recognize structural problems and may have no more expertise than their prospects, although prospects expect that they have, and agents often reinforce that impression. Agents, it seems, are generally inclined to work in their own best interests, that being, not to spoil a potential sale.

A second theme arising from this chapter is that agents tend to be "manipulative." Some agents try to manipulate buyers into buying their own listings. One way in which they may do so is to "arouse discontent" (Prus, 1989a), especially when a prospect is interested in one home and the agent wants to sell him or her another (the agent's own listing). Some agents may emphasize the negative aspects of the target home while focusing on the positive features of the comparison home. A second way agents affect choice is to "manipulate the selection" of homes to be shown. Typically, they arrange showings so that less attractive, overpriced properties are shown prior to the one they want to sell, usually their own listing. It, of course, is likely to be more attractive and suitable for the prospect, as well as better priced. While manipulating choice often works out best for the agent, they frequently also have the buyer's best interests in mind (but not

always).

Four strategies were discovered by which agents facilitate the reaching of agreements. When it comes to price, in particular, agents may encourage buyers or sellers to "take the role of the other" in order to get them to be "reasonable." Second, "locating limits" (establishing buyer or seller price limitations) may help to make a deal come together, although it might not be to the purchaser's or vendor's advantage to trust the agent with this information. Should agents share this information, and they sometimes do, the purchaser may end up paying more, or the vendor may end up receiving less, than if they kept that information to themselves. Third, "making concessions" was also found to be important to reaching agreements, and agents usually encourage those whom they represent to offer concessions to the other party. Agents sometimes even offer to reduce their own commission to make a deal come together. Receiving concessions somehow sweetens the deal and seems to be akin to getting a bonus. Fourth, when all else fails, agents may "provide consolation" to reshape the perspectives of disgruntled clients or customers who may have taken a beating in order to complete a move. One way or another, buyers and sellers may have to be made to feel that they got (or are getting) a relatively good deal under the circumstances, otherwise reinvolvement at a later date may be less likely.

GENERIC SOCIAL PROCESSES

"Generic social processes" are processes which can be identified

across a variety of different social contexts. Expressed in concepts which denote interaction, generic social processes enable ethnographers to develop a theory of social action grounded in people's experiences. To the extent the concepts discovered in this thesis have been identified by researchers working in other social contexts, these concepts take on a generic quality. As concepts describing social processes become more common across social settings, it attests to their generic quality, enabling us to develop a formal theory of human behavior. Rather than discussing all the generic concepts discovered in this study, a few which seem to be common across a greater number of settings will be discussed.

When we examine contingencies related to initial involvement and continuing involvements in agent-client/customer relationships, "demonstrating competence" emerges as a similar contingency in other settings. Haas and Shaffir (1977) identified the importance of medical students learning how to present themselves to patients, instructors and other medical staff, to the success of their careers. Their research indicated the importance of "impression management" whereby the student gives others the impression that he or she is "in the know," hiding from others what he or she does not know. Regehr (1982) noted that mechanics often repaired more things than required in order to prevent customers returning with complaints, in which case their competence would likely be doubted.

Our study indicates that people may distrust agents and may discontine to work with them when agents make mistakes which raise

doubts as to their competence. Regehr's (1982) research suggests that mechanics also lose customers this way. Similarly, Hayes-Bautista (1976) found that patients may change medical practitioners when the treatments they prescribe do not work. The physician's competency becomes doubtful at this point.

"Locating limits" was also identified in this study as an important aspect of making deals. Ross (1980) noted the importance of discovering the other party's resistance point to the successful negotiation of insurance claims between attorneys and insurance adjusters. Prus (1989a) also discovered that locating limits (in terms of price, quality, size, etc.) was important to making a sale, as well as continuing relationships between retail vendors and their shoppers.

"Personalizing encounters" (Prus, 1989a) emerged as significant to the building and preserving of relationships in a number of studies. Prus (1989a) introduced the concept to describe situations where salespeople try to "fit in" with customers and make them feel important, although it was more in terms of grasping and sharing the shopper's viewpoint. Hayes-Bautista (1976) noted that doctors encouraged patients to think of them as friends in order to stave off termination when it was threatened. Regehr (1982) indicated that mechanics tried to personalize relationships by getting to know all about their customers in order to maintain customer loyalty. Angrist (1984) discovered that real estate agents try to get their prospects to think of them as friends in order to get them to buy more easily. Ruane, Cerulo and Gerson

(1994) found that their real estate agents promoted friendships with buyers, by inviting them to social functions, in order to gain their trust and loyalty. Our findings that "forming friendships" are important to continuity bolsters the findings of these reseachers. How sincere or enduring these friendships are, however, remains uncertain.

GENERATING TRUST

A definition of trust was purposely ommitted from this study. Instead it was hoped that some of the things which constitute trust would arise from the data.

An analysis of the data suggests that trusting the agent is related to agents fulfilling the expectations people have of them, that being, the ability to fulfill their role obligations competently. Competence, in turn, involves demonstrating to buyers and sellers that the agent knows what has to be done and is capable of doing it. Similar to Regehr's (1982) mechanics, trust may also become suspect, after-the-fact, should agents make mistakes.

More specifically, an analysis of the techniques of neutralization suggests that agents who are willing to "make concessions" are more apt to be seen as putting their client's or customer's best interests ahead of their own. "Personalizing encounters" is important to neutralizing reservations as well as fostering loyalty. Simply getting others to like them or to think of them as friends seems to promote trust. "Indicating external consensus" reinforces the idea that being seen as trustworthy may

be achieved by referencing the satisfactory experiences of others. It appears that people's perspectives are shaped by what others think, particularly those whom they are close to and trust. Consequently, "attending to third parties" may be crucial to generating trust. Referrals and recommendations are also important to trust, and helps to explain why agents try to foster referral networks. "Signifying prospect importance" seems to give prospects the impression that the agent is working in their best interests. Other kinds of impressions which suggest that agents are trustworthy include "portraying a successful image" and "expressing sincerity."

Conversely, distrust seems to be related to: incompetence, unfulfilled obligations (expectations); being mislead; leaving prospects unattended (letting them look on their own), which sometimes gives prospects the impression that the agent is not willing to put himself or herself out for them; and failing to cater to all consequential parties," which indicates the importance people may place in the opinions of influential third parties. Distrust may also be related to lack of commitment and being unreasonable.

Taken together, these components emerge as integral aspects of trust. First, trust seems to be related to "role performance," both in the agent's ability and willingness to perform it. Second, trust seems to be related to participants' willingness to be fair, and in the case of agents, specifically, their apparent willingness to work with their client's or customer's "best interests" foremost

in mind. A third component of trust is simply "being liked." It is hard not to like someone who likes you. Consequently, agents often try to promote the idea that prospects mean more to them than they sometimes do, and to get their clients and customers to think of them as friends.

PRACTICAL IMPLICATIONS

In terms of initial involvements, agents usually have a brief opportunity at making an impression. Initial contact, whether by phone or at an open house, is usually brief. It is therefore necessary for agents to make the best impression possible. Familiarizing themselves with the kinds of reservations vendors and purchasers may have for dealing with agents, and their perspectives on overcoming reservations, will be helpful for agents in recognizing what sorts of things are expected of them. Agents often meet prospects while holding open houses, and being aware of the impression they are making on others when they are too laid back or seem not to be working in the best interests of their vendors, may be vital to initial involvements. Listening carefully to the interests of both buyers and sellers is essential to not only finding out their expectations, but whether other people may be involved whose interests also may have to be addressed.

Servicing listings according to their vendor's expectations, and showing prospects suitable homes priced within a range they are willing to pay, will help agents to maintain their loyalty. Agents might also learn that following through with commitments is

especially important to maintaining vendor loyalty. If they promise to advertise and do open houses, then that is what is expected of them, regardless of the asking price. Recognizing the importance of third party definitions or referrals, agents might consider the consequences of attaining bad reputations. They might be better, in the long run, to reject listings which they feel likely will not sell, rather than to avoid working them.

Vendors and purchasers might benefit from learning about other people's experiences. Being fair is important both to their relationship with agents and successfully reaching deals with each other. Equally important is indicating their willingness to commit to working exclusively with the agent. If agents are assured that vendors will eventually sell through them, then agents may be more likely to remain enthusiastic and continue to work the listing, rather than trying to persuade vendors to accept low offers. Buyers, too, will benefit by letting agents know what they expect of the agent. Assuming that the agent is providing them with good services, letting the agent know they will eventually buy through him or her, should increase the chances that the agent will not try to manipulate them into buying something they do not want.

Since many vendors complain that listing agents do not bring their own prospects to see their home, it suggests to me that there may be communication problems. Informing vendors at the outset that their job, in part, is to screen prospects in order to avoid inconveniencing them by showing their home to uninterested or unqualified buyers, and that most showings will come from other

agents, could resolve the problem. In fact, buyers often get suspicious of agents who show their own listings to them, especially if they are deemed to be unsuitable.

FUTURE DIRECTIONS

This study has shown that involvement and continuity are very much negotiable processes. Unfortunately, interviewing all parties to an interaction would have been a difficult challenge which I chose not to attempt in this study. Since agents depend on commission earnings, there is too much at stake for agents to support a researcher, particularly one with a real estate licence, having such intimate contact with their clients or customers. There is always the risk that a researcher, even by way of the kinds of questions asked, may introduce an idea which would result in people reevaluating the relationship. This could place the relationship in jeopardy. However, if a researcher were able to interview all parties to an interaction, it would be much more informative in regards to the modification of perspectives, the success of strategies, and other intricacies involved in the negotiation process. Doing so might be more feasible in other settings where employees are salaried. Many companies have people who randomly follow up calls by employees attempting to solicit new business in order to evaluate their performance (Bell Canada is one example). A similar format could be used to increase our understanding of negotiations.

On the other hand, it might be feasible for a real estate

broker to allow a researcher acting on the broker's behalf to follow up his or her sales representative's contacts to see what kinds of impressions people are getting of their sales staff. The researcher could then get the salesperson's perspective on the same encounter. Not only would it increase our understanding of negotiations, but it might be good for business.

An important concept discovered in this study, affecting the career process of agent-client/customer relationships at various stages, is "competence." This study has shown that competence, like that discovered by Haas and Shaffir (1977), involves presenting oneself as competent, even in situations where competence may be lacking. Future researchers might address competence in other settings (legal, technical, financial, educational, etc.) to see how competence is assessed and how actors demonstrate that they are indeed competent.

We also learned that "trust" is vital, in most cases, to involvement and continuity in agent-client/customer relationships, and that distrust may lead to disinvolvement. This study also showed that trust was generated in a multitude of ways. Since trust has been shown to be such an integral part of agent-client/customer relationships, it could be that trust plays a similarly important role in other social relationships. Future researchers could pursue trust in other settings where the performance of another party could significantly affect one's well being. For example, a researcher could look at perceptions of trust and distrust in relationships between clients and lawyers,

stock brokers, marriage counsellors or divorce mediators. Given that media attention suggests an apparent increase in serious, sexually communicable diseases, a future researcher might also look at how trust is established, maintained or lost in romantic and marital relationships, or in sexual encounters.

The chapter on disinvolvements essentially enriched our understanding of the contingencies related to continuing involvements. One of the problems with agents' relationships with vendors, should a sale not take place, is that the relationship ends when the contract expires. Usually agents look for "cues" as to the vendor's interest in relisting with them, or in extending the listing. Negotiations are rarely effective at this stage, if the vendor wants out. "Excuses" and sometimes "avoidance" often characterizes the departure. With purchasers, "avoidance" is most common, a means of departure also noted by Hayes-Bautista (1976). It seems that we could learn more about disinvolvements where contracts need to be broken. Future researchers might enrich our understanding of disinvolvement strategies and negotiated partings from studying divorcing couples, disgruntled professional athletes still under contract, or criminals trying to drop their lawyers (or vice versa).

The chapter on renewing relationships indicates that promoting reinvolvement is an important stage in the career process of agent-client/customer relationships. Most career agents strive to build up a strong client base as an easy source of future business and spin-off referrals, and many satisfied customers indicated their

willingness to utilize the same agent's services in the future. Researchers working in other social settings seem to have given little attention to this stage in the model. It would seem that researchers working in the context of romantic relationships, where partners sometimes break up and get back together, could pay special attention to when and how these processes occur. Given that this process is common, especially to younger couples, romantic relationships may be an especially rich area to tap in order to further our understanding of reinvolvements.

IMPACT ON RELATIONSHIPS

All and all, this study might very well suggest that relationships of all sorts are characterized by a high degree of influence and resistance as participants attempt to achieve their independent goals with and for each other within the context of relationships. Whether our frame of reference is real estate agents, physicians, mechanics, or lovers, all are involved in selling something. When it comes to building relationships, the product they are selling is themselves. They, therefore, try to present an image of themselves that is anticipated to be attractive to the (particular or generalized) other.

Participants also have some idea of where they want their relationships to go, and their task is to persuade the other into cooperating to achieve that goal. The other, however, may not have the same ending in mind. In other cases, they may have the same goals but the means to achieving them may be very different. One

can only imagine what would happen if participants were to bare their souls, show their weaknesses, their defects, their devious or incongruent intentions at the outset. While the interaction which takes place in relationships is sometimes spurious, seemingly prone to manipulation and occasionally deception as people try to achieve their goals often at the expense of others, this study has shown that there is also a lot of openness and sharing with rewarding, productive results. Through negotiation and the ability to be reflective, people are often able to resolve their differences and turn divergent viewpoints into parallel lines of action in order to achieve successful outcomes which serve their mutual interests. Where interests are satisfied, participants are more likely to find continuing the relationship desireable.

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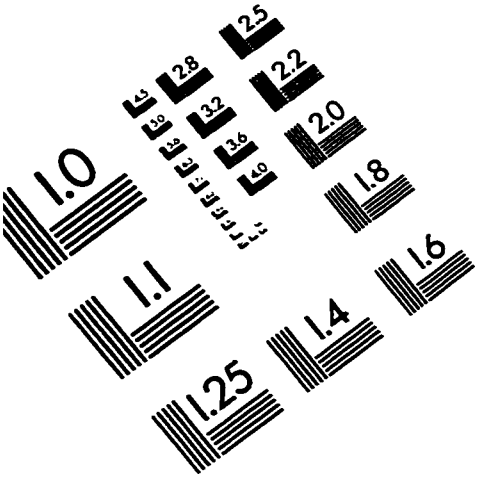
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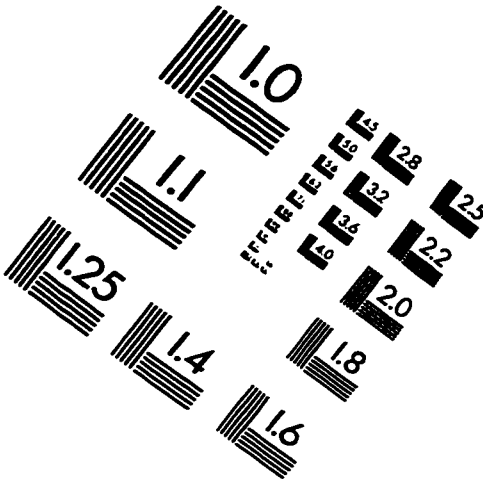
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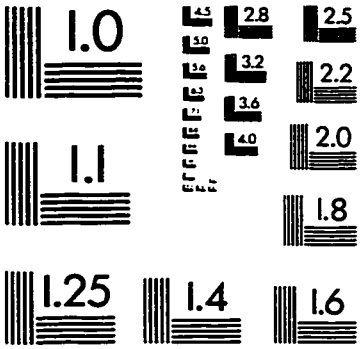
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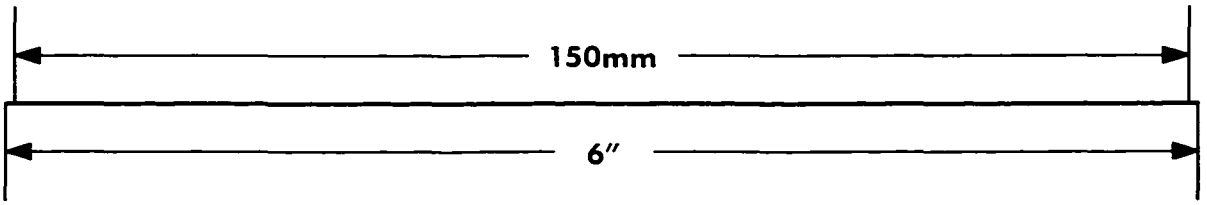
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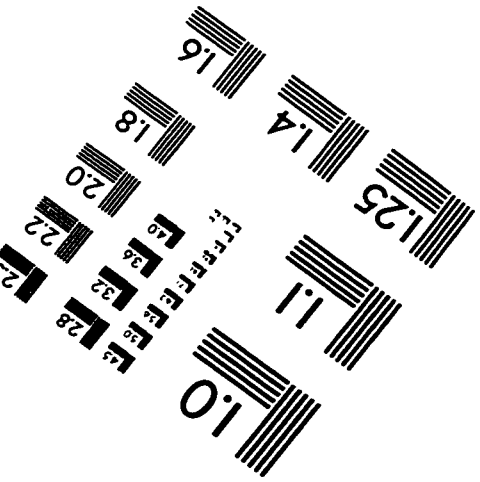
IMAGE EVALUATION
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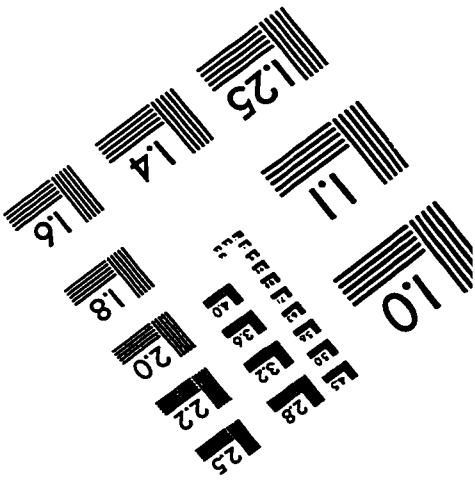












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