ST. MARY UNIVERSITY

SCHOOL OF GRADUATED STUDIES

THE EFFECTS OF BROKERAGE AND COMMISSION AGENTS ON REAL ESTATE MARKET PRICE DETERMINATION

BY:

Million Tesfaye

A MASTER'S THESIS PROPOSAL SUBMITTED TO THESCHOOL OF GRATUTES ST. MARY'S UNIVERSITY IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MBA.

Advisor:- Zemenu Aynadis (Dr.)

Jan 2025

Addis Ababa

SAINT MARY'S UNIVERSITY

SCHOOL OF GRADUATE STUDIES

GENERAL MBA PROGRAM

The Effects of brokers and commission agents on real estate market price determination.

By: Million Tesfaye

Approved by the Examining Board

Dean, Graduate studies	**Signature**	**date**
Advisor	**Signature**	**date**
External Examiner	**Signature**	**date**
Internal Examiner	**Signature**	**date**

Declaration

I am **Million Tesfaye,** the under signed, declare that this thesis entitled: **"The Effects of brokers and commission agents on real estate market price determination" i**s my original work. I have undertaken the research work independently with the guidance and support of the research supervisor. This study has not been submitted for any degree or diploma program in this institutions and that all sources of material used for the thesis has been duly acknowledged.

_____	_____	_____
Name of student	Signature	Date

Certificate Approval

This is to certify that the thesis entitled: **The Effects of brokers and commission agents on real estate market price determination** submitted in partial fulfillment of the requirements for degree of masters of in MBA in Business Administration **of the** graduate studies, St. Marry University and is record of original research carried out by **Million Tesfaye,** under my supervision, and no part of thesis has been submitted for any other degree or diploma. The assistance and help received during the course of this investigation have been duly acknowledged. Therefore, I recommend it to be accepted as fulfilling the thesis requirements.

_____	_____	_____
Name of advisor	Signature	Date

ACKNOWLEDGEMENTS

I would like to express my sincere gratitude to all those who have supported and contributed to the completion of this research thesis. I am thankful to my advisor, Zemenu Aynadis (Dr.) for his valuable guidance and insightful feedback throughout the research process. I am also grateful who participating in the study of the Effects of brokers and commission agents on real estate market price determination.

I take this opportunity to thank classmates and work colleagues who have provided me with priceless and unreserved support throughout the study.

I would like also thanks ZMAS trading plc and all of the company families for giving me the permission, sponsored and facilitating working hour to study. My great full thanks goes to my lovely wife Selamawit Aregawi my two big boys Estifanos million and Barok million who was directly or indirectly involved and not mention their mythical advise that will keep me strong all the time while dealing with this study as well as my day to day life .

Table of Contents

Title **Page**

Declaration ii

Certificate Approval iii

ACKNOWLEDGEMENTS iv

Table of Contents v

List of Table viii

List of Figures ix

Acronyms /Abbreviations x

Abstract xi

CHAPTER ONE 1

INTRODUCTION 1

1.1 Background of the study 1

1.2 Statement of the problem 3

1.3 Research question 4

1.4 Objectives of the study 5

1.4.1 General objective 5

1.4.2 Specific objectives 5

1.5 Research Hypothesis 5

1.5 Significance of the study 5

1.6 Scope of the Study 6

1.8 Organization of the paper 6

CHAPTER TWO 7

REVIEW OF RELATED LITERATURE 7

2.0 Introduction 7

2.1 Theoretical literature reviews 7

2.1.1 Types of Brokers 7

2.1.2 Function of the brokers 10

2.1.3 Measuring brokering professionalism 11

2.1.4 The role of brokers on price stability 12

2.1.5 Disadvantages of brokers involve in the market 13

2.1.6 Concepts of Commission agents 15

2.1.7 Characteristics of commission agent 15

2.1.8 Challenges of commission agents 16
2.1.9 Comparing brokers and commission agents 17
2.1.10 Compare and contrast Broker and commission agent 17
2.1.11 Disadvantages of Commission agents involve in the market 18
2.1.12 Market regulators (government agencies): 19
2.1.13 The theories in the research approach 20
2.1.14 Construction & housing: 24
2.1.15 Case study 25
2.2 Empirical literature reviews 27
2.2.1 International studies 27
2.2.2 Local studies 27
2.3 Conceptual Framework 31
CHAPTER THREE 32
RESEARCH METHODOLOGY 32
3.1 Research Approach 32
3.2 Research design 32
3.3 Data type and source 32
3.4 Target Population and sample size 33
3.4.1 Target Population 33
3.4.2 Sample size determination 33
3.5 Sampling Technique 34
3.6 Method of data collection 34
3.7 Data Collection Procedures 34
3.8 Method of Data processing and Analysis 35
3.9 Validity and Reliability Test 35
3.9.1 Reliability Test 35
3.9.2 Validity 36
CHAPTER FOUR 36
DATA ANALYSIS AND PRESENTATION 36
4.1 Introduction 36
4.2 Questionnaire Respondent Rate 36
4.3 Reliability 36
4.4 Demographic of the respondents 37
4.4.1 Gender 37
4.4.2 Age 38

4.4.3 Educational Qualification 38
4.4.4 Work Experience 39
4.5 Descriptive data analysis 40
4.5.1 Commission fees 40
4.5.2 Breakage Competition 41
4.5.3 Market Demand and Supply 42
4.5.4 Negotiation Skills 43
4.5.5 Market Regulations 45
4.5.6 Real Estate Market Price Determination 46
4.6 Inferential statistics Analysis 47
4.6.1. Correlation Analysis 47
4.6.2. Regression Assumption Test 49
4.6.3. Multiple Regression Analysis 54
CHAPTER FIVE 59
CONCLUSIONS, AND RECOMMENDATIONS 59
5.1 Conclusions 59
5.3 Recommendations 60
Reference 61

List of Table

Table 4: 1 Reliability Statistics 37
Table 4: 2 Gender 37
Table 4: 3 Age 38
Table 4: 4 Educational Qualification 38
Table 4: 5 Work Experience 39
Table 4: 6 Commission fees 40
Table 4: 7 Breakage Competition 41
Table 4: 8 Market Demand and Supply 42
Table 4: 9 Negotiation Skills 43
Table 4: 10 Market Regulations 45
Table 4: 11 Real Estate Market Price Determination 46
Table 4: 12 Correlations 47
Table 4: 13 Collinearity Statistics 49
Table 4: 14 Autocorrelation analysis 53
Table 4: 15 Model Summary Statistics 55
Table 4: 16 ANOVA 56
Table 4: 17 Coefficients 57

List of Figures

Figure 4: 1 Linearity Assumption 50
Figure 4: 2 Normality Assumption 52

Acronyms /Abbreviations

ANOVA: - Analysis of variance

SPSS =Statistical Package for Social Sciences

VIF =Variance Inflation Factor

Abstract

Brokers and commission agents play crucial roles in facilitating transactions, offering market insights, and negotiating on behalf of buyers and sellers in the real estate sector. This study aims to explore how these professionals impact real estate market pricing in Addis Ababa using a mixed research approach that is descriptive and explanatory. Researchers utilized both primary and secondary data sources, with a sample size of 385 determined through calculation due to an unknown population size. Customers were selected using a non-probability sampling method for convenience, considering the lack of an exact customer list. Quantitative data analysis techniques, including percentages, mean, standard deviation, and correlation, were employed. The analysis revealed that Market Regulations did not have a significant impact on real estate prices, suggesting that other regulatory factors may be at play. Conversely, the study found a significant positive relationship between Commission fees and real estate prices, indicating that higher fees correlate with increased property prices, potentially influencing transaction outcomes. Recommendations from the analysis included the importance of monitoring competitive factors, such as Breakage competition, to stay informed about market dynamics that could affect pricing decisions. Additionally, responding effectively to changes in Market Demand and Supply was highlighted as crucial for making informed pricing decisions, emphasizing the need to adjust strategies based on market trends to leverage opportunities and manage risks effectively.

Key words: Commission fees, Breakage Competition, Market Demand and Supply, Negotiation Skills, Market Regulations, Real Estate Market prices.

CHAPTER ONE
INTRODUCTION

1.1 Background of the study

Brokers play a vital role in connecting buyers and sellers in the market. They facilitate transactions, negotiate prices, and provide market information. Including brokers in the study would provide insights into their practices, impact on market dynamics, and influence on pricing. A broker is a person or company authorized to buy and sell stocks or other investments. They act as intermediaries between individuals/companies and the exchanges where they are licensed. Brokers facilitate transactions between traders, sellers, or buyers, ensuring that transactions run smoothly and that each party has the necessary information (Poser, 2007).

Commission agents act as intermediaries, representing buyers or sellers in market transactions. They typically earn a commission for their services. Studying commission agents would help understand their role, influence, and impact on market efficiency and pricing. Commission agent is the middle man, who works for an organization and collects commission from an organization for successful completion of sale. Whereas, broker is the middleman, who works for an individual and not for an organization, collects commission from individual.

As reference of Maister and Lovelock (1982), a commission agent serves as a middleman between companies and vendors, working in various industries such as real estate, sales, and entertainment. They can represent more than one business at a time and act as liaisons for companies by being the direct seller of a product or service. Commission agents can assist businesses with limited budgets and those seeking anonymity in the marketplace.

The literature indicates that brokers and commission agents play a significant role in real estate market price determination. Yavas (1992) found that sellers employing a broker tend to receive a higher price, although this increase is often less than the commission fee. Johnson (2008) further supported this, showing that more skilled agents, particularly those on 100% commission, can sell properties faster and at a premium. However, the impact of non-uniform commissions on market duration is less clear, as indicated by Larsen (1989). Lastly, Allen (2015) highlighted the positive relationship between specific broker marketing strategies and house prices. These

studies collectively suggest that brokers and commission agents can influence real estate market prices, with their effectiveness varying based on their skill, commission structure, and marketing strategies.

In most countries, housing is generally households' single largest investment and hence house price risk may be considered to be the major financial risk they face (Cocco, 2004. Yao and Zhang, 2005), Fluctuations in residential property prices tend to have a bigger wealth effect than those of financial assets. This is because the purchase of a house is predominantly funded real estate property is widely used as a major collateral asset for bank loans. House price risk has attracted much attention in recent years. A number of industrialized economies, including those of the United States, the United Kingdom and Spain, have witnessed a recent, protracted period of significant increases in house prices. By comparison, housing markets in most Asian economies have been relatively tranquil during the same period. However, the situation has started to change in the past several years. China, Hong Kong SAR and Korea have witnessed very strong house price inflation. (Campbell and Cocco, 2007)

In recent years, there has been growing academic interest in the workings of the residential brokerage industry. Researchers have examined the question of how the price of housing is affected when a home owner sells through a real estate broker in preference to sale by owner. Several empirical studies (Doiron et al., 1985, and Jud and Frew, 1986) have found evidence that brokers obtain higher sales prices, enabling a typical seller to pass some part of the commission on to the buyer. (G. Donald Jud and Daniel T. Winkler, 1994)

Rational expectations of a strong demand for alternative stores of value can thus induce currently productive agents to speculate in the housing market. China's housing prices have been growing nearly twice as fast as national income over the past decade, despite a high vacancy rate and a high rate of return to capital. China's housing boom as a rational bubble emerging naturally from its economic transition. A standard neoclassical model, even with an inelastic housing supply, predicts that housing prices would grow at most as fast as aggregate income; thus this type of models can hardly explain China's fast housing price growth. **(**Kaiji Chen and Yiwen 2014**)**

In Ethiopia, the real estate brokerage business is not well developed as other developed countries. There is no formal education given for real estate brokers and for any other brokerages. They are traditional agents known as ``Dellalas``. According to the real estate sector

study (2010), the residential real estate market in Addis Ababa has varying features; which ranges across state built massive housing schemes to housing cooperatives and individuals.

The housing price tagged by these providers; in fact, vary depending on the quality of housing units, financial assessment, construction material quality & design. This research attempts to investigate the effect of brokers and commission agents on real-estate market price determination in Addis Ababa city Ethiopia.

1.2 Statement of the problem

Brokers and commission agents play pivotal roles in facilitating transactions, providing market information, and negotiating on behalf of buyers and sellers. Their involvement in real estate transactions can potentially influence the price dynamics of the market. By analyzing empirical data and conducting a comprehensive literature review, this study aims to explore the specific ways in which brokers and commission agents effect real estate price determination.

A real estate broker may provide a lot of economic and social uses or benefits to a country if it is operated with a skilled method. The real estate brokerage as a business sector includes many services and operations well beyond the real estate marketing for transaction of brokerage. This market is potentially rich to accommodate many services and operations for social and country, which in turn enhance stability. (Ken Lawson 2016)

In Ethiopia, there is unfortunately, no well-organized and developed database to obtain information regarding real estate brokers. As there is free entry and exit of the task of brokerage market and due to the absence of structured/well-established mechanism to engage into professionalism in the country, efficiency of the market strategy system is low, and transaction is often at risk. In the country, buyers and sellers rely on agents locally called “Dellala” for buying and selling homes. These are traditional agents with no formal education in real estate but who mediate between buyers and sellers traditionally.

The market for residential houses in Addis Ababa is not well developed compared to most developed counties. Both the buyers and sellers of the house involve higher transaction costs in the searching process of the house. The prevalence of higher transaction costs in the housing market is the result of inadequate knowledge about the market value of residential houses.

Because of the information asymmetry, the need of a broker in the housing market becomes necessary. Brokers assist buyers and sellers of the house by providing information about the price or determinants of the house in the market. But the way and the manner how brokers operate are not clearly known. In addition, whether the process of house transaction is facilitated or impeded house transaction needs to be identified. The other significant problem of housing transactions is in relation to the valuation and factors that affect price. The value of the total housing stock in Addis Ababa was estimated for the purpose of property tax unless putting the true value of the property.

Although there are trace of how real-estate market functions in Ethiopia, little study has been conducted on those factors contributing to the escalation of housing prices due to economic growth, money supply, inflection, population growth and construction materials, Unlike past researches which are not only listed, that additionally factor affecting the residential house price, as gap to be fill in this study will investigate as in which factors brokers escalating the real estate price. This study is therefore meant to fill the gap on the issues related to brokers affecting residential housing prices. By probing into the traits, the study forwards pertinent recommendations in this regard.

1.3 Research question

To address the statement of the problem, the following research questions are forwarded

1, What are the practices of brokers and commission agents on real-estate market price determination?

2, What are the factors considered by real-estate brokers to decide real estate price determination?

3, How to examine the effects of brokers and commission agents on real-estate market price determination?

1.4 Objectives of the study

1.4.1 General objective

The major objective of this study is to investigate the effects of brokers and commission agents on real-estate market price determination in Addis Ababa.

1.4.2 Specific objectives

1, To assess the practices of brokers and commission agents on real-estate market price determination.

2, To identify the factors that effect of real-estate market price determination

3, To examine the effects of brokers and commission agents on real-estate market price determination.

1.5 Research Hypothesis

Based on the literature review and the hypothesized connections presented in the conceptual framework the following five hypotheses will be test:

Ho1: There is s noignificant effect of Commission fees of brokers and commission agents on real-estate market price determination.

Ho2: There is no effect of Breakage competition of brokers and commission agents on real-estate market price determination.

Ho3: There is no significant effect of Market Demand and Supply of brokers and commission agents on real-estate market price determination.

Ho4: There is no significant effect of Negotiation skills of brokers and commission agents on real-estate market price determination.

Ho5: There is no significant effect of Market Regulations of pricing of real estate on consumers purchase decision.

1.5 Significance of the study

This study help for the owners of real estate companies to better understand the influence of pricing on purchase and re-purchase decision of real estate products which could better improve the standard of real estate products in the local market. In addition, it will create a clear

understanding for the real estate association about the influence of pricing on perceived to be important in influencing consumers purchase decision is critical to ensure that a company's marketing efforts are matched with the needs of consumers decision. Moreover, it will enhance theoretical knowledge of the researcher about the pricing and consumer purchasing perception on it. Finally, it will help for any other researchers who have interest to conduct study in this area can uses as the benchmark or literature.

1.6 Scope of the Study

The scope of this study delimited conceptually, geographically and methodologically. Conceptually, the study is delimited on the pricing of real estate products that how it will affect the consumer purchasing decision. Geographically, this study will be conduct in Addis Ababa Addis Ababa. This geographical limitation is not only chosen because of time, access and cost restriction, but also it is believed that a considerable number of real estate consumers are available in Addis Ababa. Due to urbanization, education, exposure to international media and globalization people life style is changing and they are becoming more conscious about their house. The time is delimited to measure consumers buying decision on real estate products by case of pricing based on the data collected from July to September 2024. Methodologically, this study uses mixed research approach that the data collection design with cross sectional.

1.8 Organization of the paper

The arrangement of the research paper organized into five chapters and appendix and reference. The first chapter deals with the introduction part of the study which includes a background of the study, Background of the company, statement of the problem, the objective of the study, research question, significance of the study, the scope of the study, and definition terms. The second chapter the literature review part discusses bottle water real estate, and related issues. The third chapter focused on research design and methodology. The fourth chapter contains the finding and data analysis part of the study where primary and secondary data collected from various sources is analyzed and presented. The last fifth chapter focused on the final result of the study finding, conclusion, and recommendation.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.0 Introduction

In this literature review, we will explore the role of brokers and commission agents in three different sectors: agriculture, vehicle, and housing markets. We will examine the functions and significance of these intermediaries in facilitating transactions and providing value-added services to buyers and sellers. Through an analysis of relevant sources, we aim to gain a comprehensive understanding of the role and impact of brokers and commission agents in these markets.

2.1 Theoretical literature reviews

This category includes individuals and businesses that actively engage in buying and selling activities in the Addis Ababa market in three different sectors: agriculture, vehicle, and housing markets. This could involve traders, wholesalers, retailers, manufacturers, and consumers who are directly impacted by brokers and commission agents.

2.1.1 Types of Brokers

Brokers play a vital role in connecting buyers and sellers in the market. They facilitate transactions, negotiate prices, and provide market information. Including brokers in the study would provide insights into their practices, impact on market dynamics, and influence on pricing. A broker is a person or company authorized to buy and sell stocks or other investments. They act as intermediaries between individuals/companies and the exchanges where they are licensed. Brokers facilitate transactions between traders, sellers, or buyers, ensuring that transactions run smoothly and that each party has the necessary information (Poser, 2007).

According to McKayla Girardin (2023), updated the types of broker and what they do as follows.

Business Broker

A business broker helps clients buy or sell businesses. Typically, business brokers only work on selling and purchasing companies worth less than $1 million, while mergers and acquisitions (M&A) managers and investment bankers handle sales of larger businesses.

Business brokers have similar responsibilities as M&A managers and investment bankers, though. A business broker must determine the value of the business, pitch the sale to potential buyers, and assist in negotiations. Additionally, business brokers play a crucial role in ensuring the sale is kept confidential and allowing the business owner to keep their focus on running their company.

Customs Broker

Customs brokers work directly with importers and exporters to ensure that the movement of goods meets federal regulatory standards. These brokers relay pertinent information and payments to the U.S. Customs and Border Patrol. A customs broker also provides information to importers and exporters, so they can understand what the requirements are and what clearances are required.

Data Broker

Also known as information brokers, data brokers are individuals or companies that collect data from various sources and then sell or license the data to third parties, like advertising companies. Using sources like social media and public records, data brokers gather details about people, such as names, addresses, phone numbers, incomes, and occupations. These types of details help advertising companies increase the efficacy of targeted campaigns. Other industries use data brokers, too. For example, a bank may utilize a data broker to determine if a loan application has accurate information.

Insurance Broker

Insurance brokers work with their clients to find the right policy for the clients' individual needs. Because they are not tied to a specific insurance provider, insurance brokers can sell policies from various insurance companies. As a result, insurance brokers may offer a variety of insurance products ranging from personal auto coverage, homeowners insurance, and life insurance.

Mortgage Broker

Mortgage brokers assist hopeful homebuyers with finding mortgage loans from various lenders so they can choose the best rates and terms. Additionally, mortgage brokers act as an intermediary between lenders and borrowers, organizing and gathering paperwork from borrowers and ensuring its relayed accurately to the lender. Mortgage brokers can work independently, but some work as part of a mortgage brokerage firm. These brokers typically earn money through commissions or origination fees on mortgages.

Real Estate Broker

A real estate broker works for either a real estate buyer or seller to negotiate sales and manage documentation involved in closing real estate transactions. “With their sellers or buyers, brokers find a buyer or home for sale, respectively, and draw up contracts for the impending transaction,” says Matt Woods, co-founder and CEO of real estate brokerage SOLD.com. “They show and list homes, facilitate inspections and appraisals and negotiate sale contingencies.” Sometimes confused with real estate agents, real estate brokers are agents who have had experience in real estate and have passed a broker licensing exam. Having a broker license allows real estate brokers to run a firm and have agents work under them and assist in selling and purchasing properties.

Stockbroker

Stockbrokers are financial entities that trade securities (tradable assets such as bonds, stocks, or options) on behalf of clients. Stockbrokers also provide other services like investment management and giving financial advice

There are three types of stockbrokers:

1. **Discount stockbrokers** manage trades and take low commissions on deals, but they can’t provide financial or investment advice due to having different licensing and registration.

2. **Full-service brokers, or advisory brokers**, can provide insight to their clients on when and where to trade, but they typically take higher fees because of this advice.

3. **Discretionary stockbrokers** can choose and make trades without consulting the client, but their asset management typically includes a heftier price tag.

2.1.2 Function of the brokers

Mediation and Transaction Facilitation:

A broker acts as an intermediary between buyers and sellers, connecting them to facilitate transactions. They help execute trades on financial markets, whether it's buying or selling securities, commodities, or other assets. Brokers receive compensation in the form of a commission for their services.

Information Support:

Brokers provide essential information about the situation on trading platforms. They send notifications about quotes, trading mechanisms, and market conditions. Additionally, they offer insights into other market participants, aiding clients in making informed decisions.

Lending for Margin Transactions:

Some brokers provide margin trading services. They lend money to clients, allowing them to trade with borrowed funds. Margin trading enables investors to amplify their positions, but it also involves higher risk.

Storage and Protection of Customer Data:

Brokers handle sensitive customer data, ensuring its security and privacy. Safeguarding client information is crucial for maintaining trust and compliance.

Creating Technical Infrastructure:

Brokers establish the technical base necessary for executing transactions on exchanges. This infrastructure includes trading platforms, connectivity, and order execution systems.

2.1.3 Measuring brokering professionalism

Professionalism is one of critical issues of the brokers. According to IBCCC Own Motion Inquiry Report, 2018 listed the following dimension that uses to measure brokering professionalism.

1. Broker's professionalism

Brokerage professionalism is a critical element of professionalism, that supporting organizations to develop and maintain competency, organizations report. The competence of brokerage helps the clients' community confidence and trust in their task. Professionalism is also considered as a broad concept that encompasses education having a sound for brokers' professional qualification. The training and experience development having a commitment to and participating in continuing professional development. The broker ethics adopt and apply high standards of ethics and integrity. Clients also focus on treating clients honestly and fairly and acting in their best interests and continual improvement striving to exceed legal and regulatory standards implementing. Professionalism is closely linked with competency, and terms are sometimes used interchangeably. All aspects of professionalism including the education required of skilled services professionals; their ethics and integrity of the extent to which they act in the interests of clients.

2. Educational qualifications of professional broker

The Knowledge on the brokerage task rules of applicable legislation, regulation, duties and levies, standards and organizational policies. Such knowledge is gained through a combination of formal education, training, and on-the-job experience. Many brokers have recognized the need for competency and professionalism in the industry for a long time. Formal educational brokerage qualifications are also an essential element of professionalism. It is as one of subscriber noted that provides the theoretical foundation to enable brokers to understand the task upon their advice and the complex legal context in which they work. Recognizing and identifying a sound educational qualification as one of the crucial elements of brokerage professionalism. Formal educational qualifications are also a key way in which brokers can meet the same regulatory training standards.

3. Competency-based professional brokers training

Competency is the backbone of service standards, and to develop it, brokerage needs on-the-job support and experience additionally without just formal education. Identifying of competency-based training is as essential or a high priority within their task activities, including on-the-job technical and self-guided study, online or computer-based events and training, various peer learning opportunities, and attendance at seminars and conferences. Competency-based training is also valued by staff themselves, who fiend that it increases job satisfaction and contributes to their individual career development. As required by Service Standard of the organizations keep records of undertaken by staff and indirectly assess its effectiveness by monitoring staff performance.

4. Job skills and tasks of professional brokers

Brokerage organizations identified a wide range of skills and tasks that an individual must be performed to be considered competent. These include hard skills such as the ability to manage placement, process a claim, prepare a quotation summary, provide advice or manage renewals. Hard skills also include the technical ability to use systems, such as core broking and document management systems; the capacity to follow the organization's procedures and processes; and self-management skills such as the ability to manage one's time and produce accurate work. Also important are software skills including the ability to work collaboratively with others in a team for the benefit of clients.

5. Attitudes and behaviors brokerages

Attitudes and behaviors are considered by many organizations to be equally as important as the knowledge and ability to perform job skills and tasks. Positive behaviors and attitudes such as client focus, commitment to quality, respect and empathy or working positively in a team are vital for service quality evidenced by client satisfaction and retention.

2.1.4 The role of brokers on price stability

The price is the amount of money one must pay to gain the right to use the product. A product can be bought with possession rights or, for numerous products, with limited operation rights.

Economists often believe that lower pricing will induce more sales than high prices for the same product. Still, price sometimes indicates quality.

A product with an excessively low price could be thought to be of low quality. The possession of expensive objects reveals something about the individual as well. It shows that the owner can afford the expensive stuff, if nothing else. For some customers, this function is appealing. The symbolic significance of pricing for the product and the target market must therefore be fully understood before a price is chosen. It is important to remember that a product's price does not correspond to its cost to the consumer. The consumer cost is everything that the user forgoes in exchange for the advantages of possessing or utilizing the goods. The non-priced costs of owning or managing a product are one way that businesses try to give customers value. If successful, the total cost to the customer decreases while the revenue to the marketer stays the same or even increases (Hawkins et al., 2001).

Brokers and commission agents play a significant role in market price, with their impact varying across different markets. In the mortgage market, brokers can increase competition and consumer welfare, but their commission rates can also distort advice and create an agency problem (Robles-Garcia, 2019). In financial asset markets, interdealer brokerage can reduce price dispersion and enhance market efficiency (Garbade, 1978). In real estate markets, brokers can influence search behavior and transaction prices, with sellers benefiting from higher prices when using a broker (Yavas, 1992). In the insurance industry, contingent commissions can incentivize brokers to select insurers charging adequate premiums, ultimately benefiting the insured (Browne, 2014).

2.1.5 Disadvantages of brokers involve in the market

Brokers in the market can inadvertently create problems that affect market prices, particularly in the real estate sector. These issues stem from various challenges faced by brokers, including housing affordability, maintaining sufficient inventory, keeping up with technology, profitability concerns, rising costs in the industry, and local or regional economic conditions (Herring and Wachter, 1999). Here's how these challenges can impact market prices:

Housing Affordability: With interest rates rising to more than 20-year highs, housing affordability has become a significant concern for real estate firms. This situation can lead to a decrease in the number of buyers who can afford to purchase homes, which in turn can increase the prices of available properties. The rise in prices can further exacerbate affordability issues, creating a vicious cycle.

Maintaining Sufficient Inventory: Tight inventory levels can lead to an increase in property prices. When there are fewer properties available for sale, buyers are forced to compete for a limited number of listings, driving up prices. This situation can be particularly challenging in markets experiencing high demand, such as during a housing boom.

Keeping Up with Technology: The adoption of technology in the real estate sector can lead to changes in how properties are marketed and sold. While technology can streamline processes and improve efficiency, it can also create challenges for brokers who are not adept at using these tools. This can result in brokers being unable to effectively market properties, potentially leading to lower sales volumes and higher prices.

Profitability and Rising Costs: Brokers face pressure to increase profitability, which can lead to practices that affect market prices. For example, brokers might increase their commission rates to compensate for rising costs, which can make properties more expensive for buyers. Additionally, brokers might focus on selling properties that are more expensive, potentially leading to a decrease in the number of affordable properties available.

Local or Regional Economic Conditions: Economic conditions in a specific area can significantly impact real estate prices. For instance, a strong economy can lead to increased demand for properties, which can drive up prices. Conversely, a weak economy can lead to decreased demand, potentially leading to lower prices. Brokers must navigate these economic conditions to ensure they can effectively serve their clients and maintain profitability.

In summary, brokers can inadvertently create problems in market prices through challenges related to housing affordability, inventory levels, technology adoption, profitability, and economic conditions. These issues can lead to a cycle where market prices are influenced by brokers' actions and the broader economic environment.

2.1.6 Concepts of Commission agents

Commission agents act as intermediaries, representing buyers or sellers in market transactions. They typically earn a commission for their services. Studying commission agents would help understand their role, influence, and impact on market efficiency and pricing. Commission agent is the middle man, who works for an organisation and collects commission from an organisation for successful completion of sale. Whereas, broker is the middleman, who works for an individual and not for an organization, collects commission from individual.

As reference of Maister and Lovelock (1982), a commission agent serves as a middleman between companies and vendors, working in various industries such as real estate, sales, and entertainment. They can represent more than one business at a time and act as liaisons for companies by being the direct seller of a product or service. Commission agents can assist businesses with limited budgets and those seeking anonymity in the marketplace.

In international trade, the relationship between a commercial agent and their clients is purely commercial, with no employment relationship between the agent and the principal. The agent is typically paid a percentage of the sales they generate and operates within an assigned territory, strictly following the sale conditions indicated by the principal.

Commission agents can also be involved in the purchase or sale of agricultural produce, making or offering to make such transactions on behalf of another person in consideration of a commission. The actions of a commission agent are governed by a commercial commission contract, which specifies the specific order to be carried out, as well as the commission. They may be responsible for managing a commercial activity on behalf of another agent, charging a commission for their services, usually calculated as a percentage of the transaction amount. In summary, commission agents play a vital role as intermediaries in various industries, facilitating transactions and sales on behalf of businesses and vendors.

2.1.7 Characteristics of commission agent

Intermediaries: Commission agents act as intermediaries between producers (farmers) and buyers (wholesalers, retailers, or consumers). They facilitate the buying and selling of goods by connecting sellers with potential buyers.

Services Provided: Marketing and Sales: Commission agents promote and sell agricultural products on behalf of farmers. They use their networks and market knowledge to find suitable buyers.

Price Negotiation: They negotiate prices between buyers and sellers, aiming to achieve a fair deal for both parties.

Logistics and Transportation: Commission agents arrange transportation for the goods from the farm to the market or distribution centers.

Quality Control: They inspect the quality of produce to ensure it meets market standards.

Payment Handling: Commission agents handle financial transactions, ensuring timely payment to farmers.

Local Knowledge: Commission agents have deep knowledge of local markets, including demand patterns, seasonal variations, and consumer preferences. They understand the dynamics of supply and demand, helping farmers make informed decisions.

Commission Structure: Their compensation typically consists of a percentage of the sale price (commission) or a fixed fee. The commission rate varies based on the type of produce, market conditions, and the agent's services.

Risk and Trust: Commission agents bear some risk, especially if prices fluctuate or if produce quality is compromised. Trust is essential in this relationship. Farmers rely on agents to represent their interests honestly.

2.1.8 Challenges of commission agents

Market Fluctuations: Commission agents face challenges due to price volatility and changing market dynamics.

Competition: They compete with other agents and middlemen.

Ethical Concerns: Some agents may prioritize their own profits over farmers' welfare.

2.1.9 Comparing brokers and commission agents

Brokers and commission agents have a significant impact on market performance. Large brokers, brokers who are close by, and brokers on a fixed-price commission tend to sell properties faster and at better prices (Gautier, 2017). In the real estate market, skilled and productive agents who work on a 100% commission basis are found to sell properties faster and at a premium. On the other hand, the concentration of the real estate market is negatively correlated with market performance, with higher market concentration leading to lower market performance (Johnson 2008). In the insurance market, a fee-for-advice system for broker compensation leads to higher social welfare compared to a commission system (Hong and Nan, 2019). Overall, the relationship between brokers and commission agents and market performance varies depending on the specific market and the incentives and structures in place.

2.1.10 Compare and contrast Broker and commission agent

Broker	Commission agent
Brokers are individuals or firms that act as intermediaries between an investor and a securities exchange.	Commission agents serve as liaisons for companies by being the direct sellers of a product or service
They facilitate the buying and selling of financial securities such as stocks, bonds, and mutual funds.	They represent the interests of their clients (companies) and earn a commission on each transaction they facilitate
Execute trades on behalf of clients. Provide investment advice (for full-service brokers). Register with the Financial Industry Regulatory Authority (FINRA)	
	Product Knowledge: Well-versed in the product they represent. Passion: Advocate for the product and the company. Reputation: Maintain a solid industry reputation

Brokers work in financial markets	Commission agents operate across various industries.
Brokers focus on securities trading	Commission agents handle direct sales.
Brokers charge fees for their services commissions for trading	Earn commissions based on successful transactions.

Source: reviews from different literature

2.1.11 Disadvantages of Commission agents involve in the market

Commission agents in the market can create several problems that affect market prices, particularly through their commission structures and practices. Here are the key issues:

Artificially High Housing Prices: The traditional commission structure, where sellers pay both their broker and a buyer's broker, has been criticized for driving housing prices artificially higher. This is because sellers often pass on a portion of the commission to buyers, which increases the overall cost of buying a home.

High Commission Rates: The standard commission rate of 6% was a significant barrier for many homeowners, especially those selling their homes. This high rate, coupled with the fact that it was often split between the buyer and seller, added to the overall cost of buying a home. With the elimination of this standard, homeowners could potentially save a significant amount on their purchase, which could lead to a decrease in home prices (https://www.foxla.com/news/realtors-6-commission-nar-realtor-settlement-buying-selling-home-eliminated).

Impact on Home Prices: The reduction in commission rates, which could be as much as 30%, has the potential to drive down home prices across the board. This is because the decrease in commission rates reduces the overall cost of buying a home, making it more affordable for potential buyers. As a result, sellers may be less willing to accept lower offers, potentially leading to a decrease in home prices (https://www.foxla.com/news/realtors-6-commission-nar-realtor-settlement-buying-selling-home-eliminated).

Increased Competition and Lower Commissions: With the elimination of the standard commission, real estate agents will face heightened competition for business. This could lead to

agents lowering their commissions to remain competitive, which could further impact home prices. Lower commissions mean less income for agents, potentially leading to a decrease in the quality of service provided and, consequently, a decrease in home prices (https://www.foxla.com/news/realtors-6-commission-nar-realtor-settlement-buying-selling-home-eliminated).

Shift in Market Dynamics: The changes to commission structures could lead to a more competitive housing market, where buyers can shop around for lower-cost agents. This shift could affect how properties are marketed and sold, potentially leading to a decrease in home prices as agents compete for business (https://edition.cnn.com/2024/03/15/economy/nar-realtor-commissions-settlement/index.html).

In summary, commission agents can create problems in market prices through their commission structures, which have historically driven housing prices artificially higher. The elimination of the standard commission rate and the shift towards a more competitive market could lead to a decrease in home prices, as sellers may be less willing to accept lower offers and agents may lower their commissions to remain competitive.

2.1.12 Market regulators (government agencies):

Regulatory bodies or government agencies responsible for overseeing the Addis Ababa market could be involved in the study. In Ethiopia, the regulation and oversight of brokers and commission agents are essential for maintaining fair and ethical practices in the financial and commercial sectors. Here are some of the key regulators and oversight bodies: for instance National Bank of Ethiopia (NBE), the NBE is the central bank of Ethiopia and plays a crucial role in regulating and supervising financial institutions, including banks, insurance companies, and microfinance institutions. It sets monetary policy, issues directives, and ensures the stability of the financial system. Additionally, Ministry of Trade and Industry also another government regulatory agencies. It is responsible for overseeing trade-related activities, including the regulation of commercial agents, brokers, and representatives. It plays a role in setting guidelines and regulations for the conduct of commercial activities, import-export businesses, and agency services.

These and other regulatory bodies play a critical role in ensuring the integrity of the financial and commercial sectors in Ethiopia, providing oversight and setting standards for the conduct of brokers, commission agents, and other market participants. They may provide insights into existing regulations, policies, and their enforcement related to brokers and commission agents. Those are; commercial/trade bureau, transport bureau, industry bureau, etc

2.1.13 The theories in the research approach

2.1.13.1 Agency theory

Agency theory is a framework used to analyze the relationships and interactions between principals (owners) and agents (brokers or commission agents) in an organizational or market context. It examines how the actions and behaviors of agents can impact the interests of principals. In the case of studying the impact of brokers and commission agents on the Addis Ababa market, agency theory can provide valuable insights into the dynamics of this relationship.

Agency theory is rooted in one of the oldest problems of political philosophy, that of understanding the relation between the 'master' who is given socially legitimate control over certain actions and the 'servant' who controls the information on which the 'master' acts (Cyert and March, 1992). Berle and Means (1932) introduced the theory to the context of the modern firm where ownership and management is separated. The theory has developed substantially since the 1960s and 1970s (Eisenhardt, 1989) and became centrally concerned with the relationship between two contracting parties. Jensen and Mickling (1976) define an agency relationship as "a contract under which one or more persons (the principal(s)) engage another person (the agent) to perform some service on their behalf which involves delegating some decision-making authority to the agent". The theory assumes that both the principal and the agent are utility maximizes with different interests, and that because of information asymmetry the agent will not always act in the best interests of the principal.

Agency theory is controversial. Proponents argue either that it is a 'powerful' organizational theory (Jensen, 1983) or that it offers "unique insight into information systems, outcome uncertainty, incentive and risk" (Eisenhardt, 1989, p.57). Opponents argue that agency theory rests only on a narrow assumption of human behaviour. Donaldson pointed out that agency

theory depicts managers as “inherently tending to act in opportunistic, self-serving, guileful, and lazy ways-at cost to their employers”, and that it lacks concepts for acknowledging a more positive view of management motives and behaviour (Donaldson, 1990). More emotionally, Perrow (1986) considered the theory as dehumanising and even “dangerous”. I argue that every theory can provide certain insights into the phenomena under investigation. The problem is that organisation theorists often tend to try to apply a certain theory to every organisation in every setting. It is the context of the social phenomena under investigation that matters. It is true that by over emphasizing agency costs, agency theory ignored the broad cultural, social and political background in which social actors find themselves. Agency theory, however, undoubtedly offers insights into certain contexts in which interests are, to a great degree, in conflict.

The study will investigate the impact of brokers and commission agents in the Addis Ababa market based on the agency theory. It will consider to applying Principal-Agent Relationship, Information Asymmetry, Moral Hazard, Monitoring and Control Mechanisms and Contractual Arrangements.

By applying agency theory to the study of brokers and commission agents in the Addis Ababa market, researchers can gain insights into how the behavior of these agents affects market outcomes, investor confidence, and the overall efficiency of the market. This understanding can help policymakers and market participants design better regulations, monitoring mechanisms, and incentive structures to promote transparency, fairness, and investor protection.

2.1.13.2 Transaction cost theory

Transaction cost theory is another relevant framework that can be used to study the impact of brokers and commission agents on the Addis Ababa market. This theory focuses on the costs associated with conducting economic transactions and how these costs can influence market outcomes.

Transaction cost theory, as explored by Mguni (2018), Tse (2019), and Yousuf (2017), is a crucial concept in understanding the behavior of commission agents and brokers. Mguni's analysis of the effect of transaction costs on agent behavior in a Principal-Agent model highlights the role of these costs in distorting agent preferences. Tse's work further underscores

the impact of transaction costs on speculative trading, showing that they can either suppress or encourage trading depending on their nature and the market conditions. Yousuf's conceptual framework emphasizes the need for firms to minimize transaction costs to enhance profitability and competitive advantage. These studies collectively underscore the significance of transaction cost theory in shaping the actions of commission agents and brokers.

Transaction theory suggests that conducting transactions is a costly endeavor (e.g., negotiating contracts, monitoring performance and resolving disputes) and different modes of organizing transactions (e.g., within a market or a firm) entail different costs (Coase 1937).Hence, according to this theory, a comparative examination of the relative transaction costs (or their indicants) of these alternative modes reveals how a particular transaction should be conducted (Williamson 1985).

In essence, this theory suggests that conducting transactions is a costly endeavor (e.g., negotiating contracts monitoring performance and resolving disputes) and different modes of organizing transactions (e.g., within a market or a firm) entail different costs (Coase 1937).

By applying transaction cost theory to the study of brokers and commission agents in the Addis Ababa market, researchers can gain insights into the costs associated with engaging these agents, the efficiency of intermediation, market liquidity, market structure, and the role of contracts. Assessing in these perspectives will help for the policymakers and market participants about the effectiveness of brokers and commission agents in reducing transaction costs and improving market outcomes.

2.1.13.3 Efficient market theory

Efficient market theory is a widely used framework to study the impact of brokers and commission agents on markets, including the Addis Ababa market. This theory suggests that markets are efficient in processing and reflecting all available information in asset prices. The efficient market theory, as defined by Malkiel (1991), posits that a market is efficient if it fully reflects all relevant information in determining security prices. This is further elaborated by Bajtelsmit (2015), who categorizes market efficiency into weak, semi-strong, and strong forms, each reflecting different levels of information incorporation into prices. However, Beechey

(2000) points out that while the theory is a useful starting point for understanding asset price formation, it does not fully explain certain market behaviors, such as substantial misalignments in financial market prices. Praetz (1975) supports this by discussing the application of the efficient market theory to the Sydney Wool Futures Exchange, emphasizing the need for a model of price formation that accounts for expected returns and risk.

Efficient Market Theory (EMT) posits that markets are efficient if they are perfectly competitive, meaning that no single participant can influence the market price of a good or service. This theory has implications for the fruit and vegetable market, which is complex due to factors such as perishability and seasonality.

In the context of the fruit and vegetable market, EMT suggests that market prices reflect all available information, including the quality of produce, transportation costs, and storage capabilities. This means that the market should be able to efficiently allocate resources to where they are most needed, such as ensuring that produce is available when it is needed and at the right price. However, the reality of the fruit and vegetable market often does not align perfectly with EMT. For instance, in agriculture, especially in Least Developed Countries (LDCs), supply often exceeds demand in the immediate post-harvest period, leading to gluts that reduce producer prices and high wastage rates (Kriesberg, 1974). Conversely, before the next harvest, the product can be in short supply, leading to premium prices for consumers.

Efficient pricing in the transport market aims to improve allocative efficiency and raise social welfare. It involves setting prices equal to marginal social costs to achieve economic efficiency (Fredrik, 2015). However, in practice, transport prices often deviate from marginal costs due to market conditions and constraints, leading to "second-best" pricing that optimally sets prices under the given constraints Barry Ubbels (2007). Efficient pricing is necessary to balance the benefits and costs of transportation, such as carbon emissions, congestion, and air quality problems Jonas Eliasson (2015). Despite theoretical arguments and practical experience, efficient transport pricing is still rare, mainly due to political power struggles and the perception of losses by identifiable losers compared to dispersed and future winners Hens Runhaar (2001).

Through the application of efficient market theory, researchers can assess the efficiency of information dissemination, market transparency, price efficiency, market liquidity, and investor

confidence in the context of brokers and commission agents operating in the Addis Ababa market. Policymakers and market players can evaluate how well brokers and commission agents contribute to a smooth and effective market by using this perceptive.

2.1.14 Construction & housing:

The condominium house supply initiative that has been launched by the government is not sustainable and has not been able to cope with the demand. Even though the rationale for the government's intervention in housing supply was justified, and the size is significant, mismanagement exposed it to challenges in its sustainability, in addition to unsatisfied demand.

In addition to the ineffectiveness of the objectives of the government on housing supply, it has further caused distortion in the land and housing markets. The housing market in Ethiopia is inefficient. There is a large unmet demand with respect to quantity and quality, which also has a direct influence on the prices. As per the MUDCo GTP II plan (2011), the annual urban new house demand projection, excluding the replacement of the old, is 381,000, which has far exceeded the speed of annual supply. This makes the urban population to live in informal settlements. For instance, according to the World Bank Group 2015 report, Ethiopian cities are entertaining the highest levels of urban population living in informal settlements, which is higher even compared to Sub-Saharan African countries because of the housing supply constraint.

Debate over the efficiency of the residential real estate brokerage (RREB) industry has echoed through the literature since the late 1970s. If the RREB industry is deemed grossly inefficient, the implication is that over time, with new innovations, commission rates (service prices) would come down and/or services would increase or improve. On the side arguing for general efficiency are Lewis and Anderson (1999) and Anderson, Lewis, and Zumpano (1999). On the other side are Miller and Shedd (1979), Crockett(1982), Wachter (1987), Yinger (1981), and others. A key premise behind those arguing for inefficiency is the fairly uniform and rigid commission pricing within local markets for similar property types.

Prices appear to be abnormally stable for a competitive market. A rare exception to this widely held belief was presented by Carney (1982). Rather than use the history of somewhat uniform commission rates as the only evidence of “market” or long-term equilibrium commission rates in

theUS, we compared brokerage costs in other countries focusing only on residential resales. Globally, we see much lower residential commission rates in most of the other highly industrialized nations, including the United Kingdom (UK), Hong Kong, Ireland, Singapore, Australia, and NewZealand, Hong Kong, typically 1% for the seller, are among the lowest in the world even with the extra charges for lawyers typically incurred at closing. In the UK, the commission rates average less then 2%.

The seller is often required to pay for some advertising costs up front without a contingency for this fixed charge, which lowers the risk of the broker spending money that may not be recovered through a successful sale. In New Zealand and South Africa, commission rates average 3.14%. In Singapore, the commission rates also tend to run around 3%. Many countries have fees that average 5% or less, including Germany, Spain, Israel and Thailand. Indonesia, Jamaica, Sweden, Trinidad and Tobago, and the Philippines also tend to be around 5%. It is hard to argue that non-US countries have more efficient communication technology, real estate public information or record access that would lead to lower commission rates.

2.1.15 Case study

Case study 1: North Carolina Real Estate Commission (NCREC) in USA

The case study summary on brokers and commission agents revolves around the legal and ethical obligations of real estate brokers, particularly in the context of agency disclosure and the earning of commissions.

In the case study from the North Carolina Real Estate Commission (NCREC), a broker was found to have not complied with Rule 58A .0104, Agency Agreements and Disclosures, which mandates that every real estate sales transaction must include a written agreement between the broker and the buyer or seller. The broker, who had a personal relationship with the clients, did not provide a written employment agreement or review the "Working With Real Estate Agents" disclosure with the clients before they made an offer to purchase a property. This case highlights the importance of adhering to legal requirements for agency disclosure, regardless of the broker's personal relationship with the clients or the cultural context of the transaction.

The case study from St. John's Law Review discusses the complexities involved in determining when a broker has earned their commission. It emphasizes the difficulty in applying general rules to practical situations, especially when the transaction never comes to fruition. The case study raises questions about the point at which a broker's commission is considered earned, particularly in situations where the transaction is contingent on the successful completion of other arrangements, such as loan negotiations. The case underscores the uncertainty in the law regarding when a broker's commission is earned, especially when the transaction is not completed.

These case studies illustrate the importance of legal compliance and ethical practices in the real estate industry. Brokers must adhere to specific rules regarding agency disclosure and the earning of commissions to ensure fair and transparent dealings with clients. Additionally, they must navigate the complexities of determining when a commission has been earned, especially in transactions that are contingent on other factors.

Case study 2: the practice of Sri Lanka

In a global context, there are well-established duties and responsibilities, rules and regulations and code of ethics to govern the unethical behavior of real estate brokers through registered real estate brokerage industry to have an efficient real estate transaction. (Bardhan and Kroll 2012)

In Sri Lankan context, the economy of Sri Lanka has gained a significant boom due to the cut back of uncertainty in investment after ending up the war which continued for 30 years. Because of stability in macro-environment factors, perceptions of investors to invest in every section of the economy have enhanced. Among all these sections real estate industry will be one of the most attractive segments as it is, directly and indirectly, affect development. (Gardiner, Heisler, Kallberg and Liu 2011)

In Sri Lankan brokerage industry, mainly there are two types of brokers as individuals and organizations. Usually, individual brokers have entered into the brokerage industry just by their experience, other than having a knowledge-based background, but in the case of brokerage companies, most of those companies are well-reputed and expanded throughout the country.

These companies are performing their tasks engaged to various types of properties such as residential, commercial, industrial recreation. (Steven and Syverson 2013)

Still, Sri Lankan brokerage industry is at the primary stage as a profession. As well as unfortunately there is not any sophisticated database to obtain information regarding real estate brokers. Since Sri Lanka is not having a registered brokerage industry, there is a free entrance to brokers. Hence it is clear that with this expansion, entry of new brokers has significantly increased. Furthermore, as there is no structured or well-established way to enter into the profession, the opportunity to have efficient transaction is at a risk in terms of maximum benefit to consumers while ensuring maximum profit to brokers. (Steven and Chad Syverson 2014); As well as, real estate brokers are one of the main drivers of the growing economy, the enrichment of role of broker will be one of the pillars of industry success by not only reaching the profit of broker but also ensuring customer satisfaction. (Lawrence 2012).

2.2 Empirical literature reviews

2.2.1 International studies

Benjamin, et. al. (2000) compared American and international real estate brokerage firms, and suggested several noteworthy differences between US residential brokerage commission and other overseas markets. The comparison includes agency rules, representation, potential liability, and the use of auctions. Liability tends to be higher in the US and agency tends to be more clearly separated between buyers and sellers. Data on such differences is not readily available and beyond the scope of this study.

According to Dotzour, et. al. (1998), many developed countries use auction markets simultaneously with traditional real estate listings. This use of auctions seems to be gaining interest and market share in the US as well.11Auction fees tend to be the same or higher than traditional listings, so this alternative is viewed merely as a way to accelerate the time to sale rather than a way to save on fees.

2.2.2 Local studies

The role of brokers and commission agents in selected markets in Addis Ababa City has been studied in various contexts. Pasquini (2019) found that in the rental market, landlords often transfer the cost of the real estate commission to tenants, leading to an increase in average rents.

This suggests that brokers and commission agents can have a significant impact on market prices. In the Ethiopian grain market, brokers were found to enhance market efficiency by internalizing the positive spill-over of individual search behavior (Gabre-Madhin, 2001). Similarly, in the livestock market, brokers and regular buyers and sellers played a crucial role in gathering information, searching for buyers/sellers, and negotiating prices (Jabbar, 2008). The use of brokers in the foodgrain market was also found to be critical in enabling traders to circumvent the commitment problem of long-distance trade with unknown partners (Gabre-Madhin, 1999). These studies collectively suggest that brokers and commission agents can have a significant impact on market dynamics, prices, and efficiency.

Bezabih and Hadera (2007) categorized actors in the marketing channel as producers, intermediaries/ brokers, traders and consumers. Brokers play a decisive role in the marketing system and determine the benefit reaching the producer. Onion and tomato are quite often purchased in the field with brokers. According to him, there are three types of brokers: the farm level broker, local broker and urban broker. Each has their one separate task where the farmer level broker identifies plots with good produces and links the producer with a local broker. The local broker in turn communicates with the farmer and conveys the decisions made to the urban broker or collector. In this process the producer have contact with local agents and do not have direct contact with the other intermediaries. The third broker, urban broker, gets the information from ultimate buyers and sets the price. Here neither the farmer nor the traders set actual prices for the products. If the farmer insists on negotiating the price, the brokers gang up and boycott purchasing of the product leaving the product to rot. The farm level and local brokers get 5ETB while the urban broker gets 10 ETB per quintal.

Million and Belay (2004) indicated that, lack of market outlets, storage and processing problems, lack of marketing information, capital constraints, high transportation cost and price variation are some of the important constraints in vegetable production.

Moti (2007) In his research report, he documented findings of the role of horticulture for export earnings stability, farm resource allocation between food crops and cash crops, household decision making in crop choice-land allocation and market out let choice, and the influence of asymmetric price information on bargaining power of horticulture farmers. He suggested access

and availability to market information and alternative market outlets can improve subsistence farming to commercialize.

Jema (2008) indicated that limited access to capital markets, high consumer spending, and large family size attributable to lower economic efficiency for the marketed driven production like vegetables. On top of this, the marketing performance of vegetable shows that poor performance and contract enforcement was mainly due to mutual trust and broker's mediation. Furthermore, information access, trader-specific investments, and farmer's age, whether the buyer is a trader, dependency on the trader, relationship duration, transaction frequency, and distance to the trader were found to be the significant factors affecting contract enforceability through brokers in eastern Ethiopia. Risk related to persishability and seasonality of supply, illiteracy, and client-buyer's type were found to be the significance factors causing contract breaches by the traders.

Rehima (2006) conducted study on pepper marketing chains analysis in Alaba and Siltie ones in southern Ethiopia using marketing margin analysis found that the gross marketing margin obtained by pepper retailers was 43.08% of the consumer's price. The same study reported that producer's share and net marketing margins obtained by retailers were 50.7% and 29.47% of the consumer's price.

The study conducted by Gizachew (2005) in Ada'liben in district of Oromiya Region using concentration ratio identified milk market to be weakly oligopolistic of 41.2%, where the four firms dominated milk market. The dairy cooperative got 28.3% of market share and the three processing industries combined have a market share of 12.9%. Intimate traders got net marketing margin of 7.6% for butter and the dairy processing enterprises got the highest net marketing margin (19.9% of retail price) while the least marketing margin (1.05% of the retail price) was obtained by the dairy cooperative.

Solomon (2004) conducted a study using marketing cost and margin analysis on performance of cattle marketing system in southern Ethiopia with special emphasis on Borena found that butchers at Addis Ababa (Kera) market received relatively a larger share from total gross marketing margin amounting to 69.5%, 63.4% and 61.6% for cattle supplied from Yabelo, Negelle and Dubluk markets, respectively. Regarding producers' portion, which is the portion of the price paid by the end consumer that goes to the producers, he found that the highest

percentage was found for cattle supplied from Dubluk market (21.9%), and followed by Negelle and Yabelo characterized with gross margins of 20.6% and 18.6%, respectively.

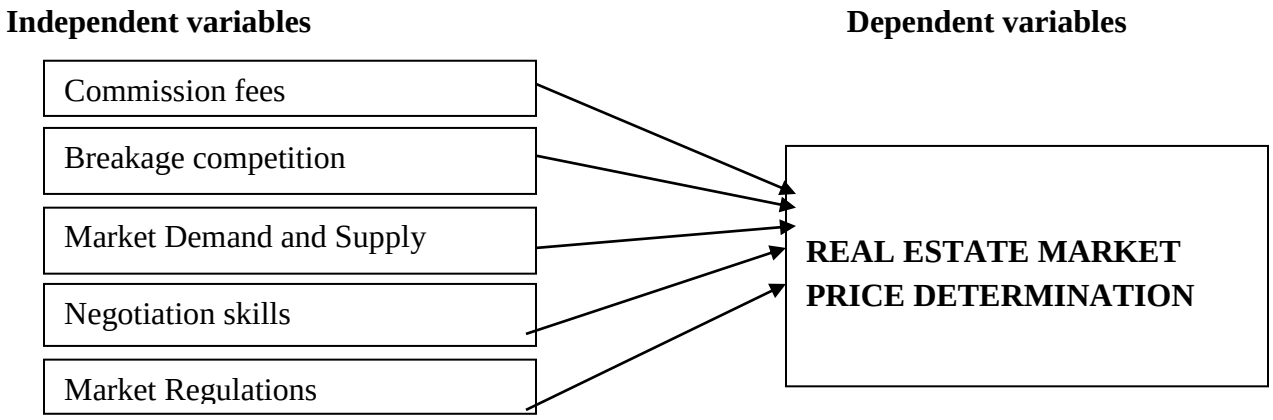
Yocab (2002) found that butcheries operating in Addis Ababa got total gross margins of 31.7% from average purchase price; more over the study identified that the increase in the profit margin was not transferred to the producer. He further noted that the producer's share of the retail price was decreased from 76% in 1983/84 to 55% in 1995.

Study conducted by Scott (1995) on potato marketing using marketing margin analysis in Bangladesh indicated that producer's price and margin were 1.27 and 67 %, respectively. Similarly, study conducted by Pomerory (1989) on four fish markets using concentration ratio (market share ratio) in Philippines found that 50% of the industry made 80% of the fish purchases. In the Gulf of Nicoya study, Scheid and Sutinen (1981) reported that the fisher's share of retail prices was 41%, where as the wholesale and retail sector received 22% and 37%, respectively.

Adugna (2009) identified major factors that affect marketable supply of papaya in Alamata District. Adugna's study revealed that papaya quantity produced influenced marketable supply positively. Similarly, Gizachew (2005) analyzed factors affecting dairy household milk market entry decision using Logit model and marketed milk surplus using Tobit model in Ada'ha Liben district in Oromiya region by using data from 61 sampled dairy households. His study revealed that education level of the dairy household head, extension visits and income from non-dairy sources had positive relationship with household milk market entry decision. Gizachew (2005) also found that dairy cow breed, loan, income and extension visit, education level of spouse and distance from milk market were related to marketed surplus positively; however, distance from district and education level of the household head were related negatively with marketed milk supply.

Abay (2007) applied Heckman two-stage model to analyze the determinants of vegetable market supply. Accordingly, the study found out that marketable supply of vegetables were significantly affected by family size, distance from main road, number of oxen owned, extension service and lagged price.

2.3 Conceptual Framework



Source: Adapted from different literature reviews

*Figure2. 1***conceptual frame works**

CHAPTER THREE

RESEARCH METHODOLOGY

This chapter provides the methodology employee for conducting this study. This chapter addresses the type of data & source, research design & approach, sample size, sample design & procedure, sampling techniques, method of data collection and method of data analysis.

3.1 Research Approach

Research Approach is a plan and procedure for the research that spans the decision from broad assumption to detailed methods of data collection and it's of three types qualitative, quantitative, and mixed methods (Creswell John W, 2015).

The primary objective of the researcher was to conduct an in-depth analysis of the factors that contribute to the real estate product within an organizational context. In order to achieve this goal and gain a comprehensive understanding of the intricate relationship between these factors, the study was specifically designed to adopt the principles of quantitative research methodology. By utilizing this approach, the researcher was able to collect and analyze a significant amount of data, which enabled to draw meaningful conclusions regarding the critical determinants of water bottle real estate.

3.2 Research design

In This study will use descriptive& explanatory in nature. The reason being why the researcher chose descriptive type of research is to identify and clearly describe the real estate attributes of bottled drink water and explanatory to explain briefly the influence of real estate product on consumers' purchase Decision. Moreover, this study will use cross sectional survey design. According to Zikmund (2000), a cross sectional survey design is the type of survey design in which necessary data is collected at one point in time from particular set of population.

3.3 Data type and source

In order to meet the predetermined objectives of the study, the researchers will use quantitative types of data. In addition to this, to generate valuable and relevant data, the researchers will employee both primary and secondary sources of data. The primary sources of data will be collect through structured close ended questionnaire which are prepare by English and Amharic.

Moreover, the researcher will be review secondary source of data from articles, books and reports in order to help preparing the theoretical framework and literature for the whole study.

3.4 Target Population and sample size

3.4.1 Target Population

Best and Khan (1998) define "population as any group of individuals who has one or more characteristics in common that are of interest to the researcher". The target population of this study will comprises individual consumers of real estate, in cafes, restaurants and hotels in Addis Ababa whose age are equal or greater than 18 years old. Thus, in addressing the research questions the researcher has considered the final consumers as respondents. Customers that visit the supermarkets, restaurant, and retail shops to purchase real estates have been selected as respondents.

3.4.2 Sample size determination

According to Dillman (2000), and Hill et al. (2003), a sample size of 100 and above is sufficient to present good concise research findings and provide good representation of the population or organization or any subject investigated. Cochran's formula allows researchers to calculate an ideal sample size based on the desired level of precision, confidence level, and the estimated proportion of an attribute present in the population. It is especially appropriate for situations with large and undefined populations. So that, In order to develop accurate sample size researchers will use default statistical techniques. The sample size for this study will be 385 and calculated as shown below considering that the population for study is unknown which is developed by smith, scott, 2013.

In determining the sample size of the respondents, equation was used from Cochran, (1963)

$$n_0 = \frac{Z^2 pq}{e^2}$$

Sample Size = (Z-score)² * StdDev*(1-StdDev) / (margin of error)

n= (1.96)² x 0.5(0.5)) / (0.05)²

n= (3.8416 x 0.25) / 0.0025

n=0.9604 / 0.0025

n=384.16

So that, sample size for the study is 385 respondents.

The researcher assumed that choosing a 95% confidence level, 0.5 standard deviation, and a margin of error (confidence interval) of +/- 5% will be bring an accurate sample size since the researcher have 95% confidence or 5% error on the determination of the sample size)

3.5 Sampling Technique

Basically, this research focus on the influence of real estate attributes on consumers' purchase Decision in Addis Ababa. This indicates that the participants of the research will be individual consumers. As a result, the units of analysis for this research will be individuals. On the other hand, the sample frame of this research is individual consumers' real estate in Addis Ababa.

Concerning customers' selection, convenience, non-probability sampling approach was used for the reason that their exact number and list is not available; this helped to choose samples based on the researchers and customers conveniences in terms of time and space. For this reason the researcher has chosen randomly three sub cities (Nifasilk-lafto, Kirkos, Bole) from 11 sub cities. The respondents will found in those sub cities with different supermarkets, restaurants and retail shops. The questionnaires were distributed with the convenient of the respondents.

3.6 Method of data collection

To get firsthand information which is important to the study, questionnaires were prepared and distributed among the respondents. The questionnaire includes both open ended and close ended questions which helped the researcher to acquire adequate information in conducting the research. For ethical purposes the researcher has explained the purpose of the research to make the respondents feel confident enough in providing the necessary information. The questionnaires were distributed to the respondents.

3.7 Data Collection Procedures

The procedures of data collection from the respondents, first, individual respondents will be ask whether they will buyers of real estate or not. Then, this who confirm that they use real estate will be requested to fill in the questionnaire. The places of data collection for this research will be in different hotels, cafeterias and supermarkets. Permissions will be received from the

owners' or managers of the hotels, cafeterias and supermarkets. Then, the questionnaires will be distributed to respondents.

3.8 Method of Data processing and Analysis

Quantitative data analysis techniques were used in this study. Quantitative data analysis technique specifically, descriptive data analysis technique which includes percentages, mean, standard deviation, and correlation was used. To summarize the findings, percentages were computed to get the total picture of the data that was collected from sample respondents. Then, the summarized data is presented in the form of tables at the end of the thesis. Qualitative data analysis techniques specifically narrative was used to analyze the response obtained from open ended questions.

Before analyzing the data that will collect, some procedures need to be performed to ensure the data that will collect is reliable and valid. After the data will be collect through distributing the structured questionnaires, the researcher will be manually examine, check-up and correct until all measurement errors is eliminated. Then the data will be encoding, process and analysis will be carried out by using IBM SPSS statistics version 26 software. In addition, it is will be present by using charts, tables and graphs.

3.9 Validity and Reliability Test

3.9.1 Reliability Test

As Andrew, Pedersen, and McEvoy, (2011) adopted from (Nunnally and Bernstein, 1994), a popular method for measuring the internal consistency reliability a group of items is cronbach‟s alpha coefficient, often referred to as simply cronbach‟s alpha or cronbach‟s α. In short, cronbach‟s alpha measures how well a set of variables or items measures a single, unidimensional latent construct. It is essentially a correlation between the item responses in a questionnaire; assuming the statistic is directed toward a group of items intended to measure the same construct, cronbach‟s alpha values will be high when the correlations between the respective questionnaire items are high. Cronbach‟s alpha values range from 0 to1, and, in the social sciences, values at or above 0.7 are desirable, but values well above 0.9 may not be

desirable as the scale is likely to be too narrow in focus. Though the survey tools that will be use in this research are standard**,** the validity and reliability of the instrument will be confirm.

3.9.2 Validity

Validity is concerned with whether the findings are really about what they appear to be about. Kazi (2010), defined the validity as "the degree to which a measure accurately represents what it is supposed to. The questions were derived from relevant literature to ensure the validity of the questionnaire. The questioners were adopted from previous research works that were related to this research. Therefore, in this study, in order to assure the validity of the research instrument, various relevant literatures and different previous research questionnaires will uses.

CHAPTER FOUR

DATA ANALYSIS AND PRESENTATION

4.1 Introduction

In this chapter, the data collected from the respondents for the purpose to study the effect of brokers and commission agents on real estate market price determination depending on the proposed variables results presented, analyzed and interpreted. The first part of the section deals with questionnaire, respondent rate and reliability of the research instrument. On the second part descriptive and inferential analysis of variables and the results are presented.

4.2 Questionnaire Respondent Rate

The questionnaire were distributed for 385 target population of the real estate users, 364 responses were correct and used for the analysis of this study, which is the response rate is 95%. This percentage is acceptable for the analysis.

4.3 Reliability

The reliability refers to a measurement that supplies consistent results with equal values (Blumberg et al., 2005). In the reliability test, Cronbash's alpha was used to measure internal

consistency of items in the research instruments. According to the Cronbrash's alpha rule of thumb results, if α ≥0.9 it means excellent correlate, if 0.9>α ≥0.8 good internal consistency, if 0.8>α ≥0.7 is acceptable, 0.7>α ≥0.6 questionable, 0.6>α ≥0.5 indicate the poor (low reliability).

Table 4: 1 Reliability Statistics

Reliability Statistics

Cronbach's Alpha	N of Items
.915	6

Source: Survey data (2024)

Based on the information provided in the above figure analysis, it appears that the uploaded image is a computer screen displaying a reliability statistics page for Cronbach's Alpha. The figure shows a reliability score of 0.92, along with other statistics such as the number of items and participants.

4.4 Demographic of the respondents

This section presents the respondents' background information in terms of their Company representative, Age, education level, years of experience, and current work position.

4.4.1 Gender

Table 4: 2 Gender

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	206	56.6	56.6	56.6
	Female	158	43.4	43.4	100.0
	Total	364	100.0	100.0	

The data shows the distribution of participants' gender in the study. Out of the 384 participants, 206 (56.6%) identified as male, while 158 (43.4%) identified as female. This distribution indicates a higher representation of male participants compared to female participants. These gender demographics provide insights into the composition of the sample and should be taken into consideration when interpreting the findings of the study.

4.4.2 Age

Table 4: 3 Age

Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-28	44	12.1	12.1	12.1
	29-39	202	55.5	55.5	67.6
	40-50	114	31.3	31.3	98.9
	Over 50	4	1.1	1.1	100.0
	Total	364	100.0	100.0	

The data presents the age distribution of the participants in the study. Out of the 384 participants, the majority fell into the age range of 29-39, with 202 participants (55.5%). The next largest group was the 40-50 age range, consisting of 114 participants (31.3%). There were also 44 participants (12.1%) in the 18-28 age range. Only a small portion of the participants, 4 individuals (1.1%), were over 50 years old. These age demographics provide an understanding of the age composition of the sample and should be considered when interpreting the study's results, as the findings may be more representative of individuals in the 29-39 age range.

4.4.3 Educational Qualification

Table 4: 4 Educational Qualification

Educational Qualification

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	High School	20	5.5	5.5	5.5

	Diploma	34	9.3	9.3	14.8
	Bachelors Degree	225	61.8	61.8	76.6
	Masters Degree	83	22.8	22.8	99.5
	PhD or Higher	2	.5	.5	100.0
	Total	364	100.0	100.0	

Based on the provided data, a total of 364 individuals' educational qualifications were analyzed. Among them, 5.5% had a high school education, 9.3% held a diploma, 61.8% had a bachelor's degree, 22.8% held a master's degree, and only 0.5% possessed a PhD or higher qualification. The majority of individuals, accounting for 75.9% of the sample, had obtained a bachelor's degree, followed by master's degree holders at 22.8%. This data highlights the prevalence of bachelor's degrees as the most common educational qualification among the analyzed group, with higher-level qualifications being less common.

4.4.4 Work Experience

Table 4: 5 Work Experience

Work Experience

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Government	14	3.8	3.8	3.8
	Private	170	46.7	46.7	50.5
	Owen Business	176	48.4	48.4	98.9
	No Job	4	1.1	1.1	100.0
	Total	364	100.0	100.0	

The data presents the distribution of participants' work experience. Out of the 364 participants, the majority had work experience in Owen Business, with 176 participants (48.4%). The next largest group was from the private sector, with 170 participants (46.7%). A smaller portion of the participants had government employment, with 14 participants (3.8%). Only a few participants reported having no job, totaling 4 individuals (1.1%). These work experience demographics give insights into the occupational backgrounds of the participants and should be considered when

interpreting the study's findings, as the results may be more representative of individuals with work experience in Owen Business and the private sector.

4.5 Descriptive data analysis

Descriptive statistics are used to describe the basic features of the data in a study. They provide simple summaries about the sample and the measures. Together with simple graphics analysis, they form the basis of virtually every quantitative analysis of data (Conjointly, 2022). The mean statistical value approaching were based on the following assumptions: if the mean value is between (1-1.8) this implies the respondents strongly disagreed, if the mean value is between (1.81-2.6) it indicates the respondents disagreed, the mean value between (2.61-3.4) indicates the respondents were neutral, the mean value between (3.41-4.20) implies the respondents agreed and a mean value 4.21 and above shows the respondents strongly agreed (Burns, 2008).

The standard deviation is a statistic that measures the dispersion of a dataset relative to its mean and is calculated as the square root of the variance. As a rule of thumb, a SD >= 1 indicates a relatively high variation, while a SD < 1 can be considered low. This means that distributions with a coefficient of variation higher than 1 are considered to be high variance whereas those with a SD lower than 1 are considered to be low-variance.

4.5.1 Commission fees

Table 4: 6 Commission fees

Descriptive Statistics

	N	Mean	Std. Deviation
Commission fees have a negligible impact on real estate market price determination	364	2.87	.951
Higher commission fees lead to lower real estate market prices	364	2.75	1.055
Real estate market prices are predominantly influenced by commission fees	364	3.53	1.158
Lowering commission fees can positively affect real estate market price determination	364	3.82	1.299
Real estate market prices are often inflated due to high commission fees	364	3.42	1.071
Valid N (listwise)	364		

Based on the descriptive statistics provided for the survey responses regarding the effect of commission fees on real estate price determination in Addis Ababa, several insights can be drawn.

The respondents, on average, seem to believe that commission fees do have some degree of influence on real estate market price determination, with a mean rating of 2.87. However, the perception that higher commission fees lead to lower real estate market prices is slightly lower, with a mean rating of 2.75, indicating a more neutral stance on this statement. Interestingly, the respondents generally agree that real estate market prices in Addis Ababa are predominantly influenced by commission fees, as evidenced by a higher mean rating of 3.53. Moreover, there is a stronger consensus that lowering commission fees can positively impact real estate market price determination, with a mean rating of 3.82. Finally, the belief that real estate market prices are often inflated due to high commission fees is also notable, with a mean rating of 3.42. These findings suggest that respondents perceive commission fees to play a significant role in shaping real estate prices in Addis Ababa, with a particular emphasis on the positive impact of reducing commission fees on price determination.

4.5.2 Breakage Competition

Table 4: 7 Breakage Competition

Breakage competition Descriptive Statistics

	N	Mean	Std. Deviation
I agree that increased competition among brokers leads to more transparent real estate pricing	364	2.71	1.068
I believe that brokerage competition enhances market efficiency	364	4.03	1.354
I think that brokerage competition drives innovation in the real estate sector	364	2.82	1.127
the availability of multiple brokers prevents price manipulation in the real estate market	364	3.66	1.034
competition among brokers helps stabilize property prices	364	2.81	1.008

Valid N (listwise)	364		

The respondents exhibit a mixed perception regarding the impact of brokerage competition on real estate pricing transparency, with a mean rating of 2.71, indicating a somewhat neutral stance on this aspect. However, there is a strong consensus that brokerage competition enhances market efficiency, as evidenced by a notably higher mean rating of 4.03. In terms of driving innovation in the real estate sector, respondents hold a slightly positive view, with a mean rating of 2.82. The belief that the availability of multiple brokers prevents price manipulation in the real estate market is relatively high, with a mean rating of 3.66, suggesting a general agreement on this statement. On the other hand, the perception that competition among brokers helps stabilize property prices is more neutral, with a mean rating of 2.81. Overall, the data indicates that respondents perceive brokerage competition in Addis Ababa as a factor that enhances market efficiency, helps prevent price manipulation, but may have a more mixed impact on pricing transparency and price stabilization in the real estate sector.

4.5.3 Market Demand and Supply

Table 4: 8 Market Demand and Supply

Market Demand and Supply Descriptive Statistics

	N	Mean	Std. Deviation
high demand for housing increases real estate prices	364	3.21	1.223
The population growth influences the demand for housing and subsequently real estate prices	364	3.68	1.456
I think the availability of land for development impacts the supply of housing and real estate prices	364	1.93	.249
The government policies on housing and urban development affect the supply of real estate	364	2.90	1.068
the availability of mortgage financing influences the demand for real estate	364	3.65	1.339
the overall economic health of Addis Ababa impacts both the supply and demand of real estate	364	3.23	1.295
Valid N (listwise)	364		

Based on the descriptive statistics provided for the survey responses related to market demand and supply factors influencing real estate price determination in Addis Ababa, several insights can be gleaned.

The respondents generally acknowledge that high demand for housing has a moderate impact on increasing real estate prices, as indicated by a mean rating of 3.21. Moreover, they strongly agree that population growth significantly influences the demand for housing and subsequently affects real estate prices, with a mean rating of 3.68. However, there seems to be a divergence in opinions regarding the impact of land availability for development on the supply of housing and real estate prices, with a relatively low mean rating of 1.93, suggesting a perception that this factor may not be as influential as others.

Respondents also recognize the influence of government policies on housing and urban development on the supply of real estate, albeit to a lesser extent, with a mean rating of 2.90. The availability of mortgage financing is perceived as a key factor affecting the demand for real estate, with a mean rating of 3.65. Additionally, the overall economic health of Addis Ababa is considered to impact both the supply and demand of real estate, with a mean rating of 3.23.

Overall, the data indicates that respondents attribute significant importance to population growth, mortgage financing availability, and the economic health of Addis Ababa in shaping the dynamics of real estate demand and supply, which in turn influence real estate prices. However, there may be varying perceptions regarding the impact of land availability for development and government policies on real estate supply in the context of price determination in Addis Ababa.

4.5.4 Negotiation Skills

Table 4: 9 Negotiation Skills

Negotiation Skills Descriptive Statistics

	N	Mean	Std. Deviation
a broker's negotiation skills can significantly impact the final selling price of a property	364	3.21	1.223

a buyer's negotiation skills influence the price they pay for real estate	364	2.38	.894
professional training in negotiation skills can improve real estate price outcomes	364	3.34	1.062
the use of negotiation strategies can lead to a more favorable real estate price for buyers	364	2.70	1.081
effective negotiation skills can reduce the gap between asking and selling prices in the real estate market	364	3.44	1.062
Valid N (listwise)	364		

Based on the descriptive statistics provided for the survey responses regarding the effect of negotiation skills on real estate price determination in Addis Ababa, several insights can be inferred.

The respondents generally believe that a broker's negotiation skills can have a significant impact on the final selling price of a property, as indicated by a moderate mean rating of 3.21. However, the perception regarding a buyer's negotiation skills influencing the price they pay for real estate is slightly lower, with a mean rating of 2.38, suggesting a more neutral viewpoint on this statement.

There is a consensus among respondents that professional training in negotiation skills can lead to improved real estate price outcomes, as reflected by a mean rating of 3.34. Additionally, the use of negotiation strategies is seen as potentially resulting in more favorable real estate prices for buyers, although with a slightly lower mean rating of 2.70.

Moreover, the data suggests that effective negotiation skills are perceived as valuable in bridging the gap between asking and selling prices in the real estate market, with a mean rating of 3.44. Overall, the findings indicate that respondents recognize the importance of negotiation skills, both for brokers and buyers, in influencing real estate price outcomes in Addis Ababa. The data highlights the potential impact of negotiation abilities in shaping the final prices of real estate transactions and the importance of training in negotiation techniques for achieving favorable outcomes in the real estate market.

4.5.5 Market Regulations

Table 4: 10 Market Regulations

Descriptive Statistics

	N	Mean	Std. Deviation
government regulations on land use impact real estate prices	364	2.90	1.061
rent control policies influence the real estate market	364	2.72	.998
tax policies on property transactions affect real estate price determination	364	3.34	.892
regulations on foreign investments in real estate impact property prices	364	2.71	1.094
the enforcement of property rights and ownership laws affects real estate price stability	364	3.02	1.026
government subsidies for housing projects impact the overall real estate prices	364	3.80	1.372
Valid N (listwise)	364		

Based on the descriptive statistics provided for the survey responses concerning the impact of market regulations on real estate price determination in Addis Ababa, several observations can be made.

The data reveals that respondents perceive government regulations on land use to have a moderate impact on real estate prices, with a mean rating of 2.90. Similarly, rent control policies are seen as influencing the real estate market, albeit to a slightly lesser extent, with a mean rating of 2.72. Tax policies on property transactions are considered to have a more significant effect on real estate price determination, as indicated by a higher mean rating of 3.34.

In terms of regulations on foreign investments in real estate, respondents believe that these regulations do impact property prices, although with a slightly lower mean rating of 2.71. The enforcement of property rights and ownership laws is perceived to affect real estate price stability, with a mean rating of 3.02.

Moreover, government subsidies for housing projects are viewed as having a substantial impact on overall real estate prices in Addis Ababa, with a high mean rating of 3.80. Overall, the data suggests that respondents recognize the significance of various market regulations, such as tax policies, government subsidies, and property rights enforcement, in influencing real estate price

determination in Addis Ababa. The perceptions reflect an understanding of how regulatory frameworks play a crucial role in shaping the dynamics of the real estate market and impacting property prices in the region.

4.5.6 Real Estate Market Price Determination

Table 4: 11 Real Estate Market Price Determination

Real Estate Market Price Determination Descriptive Statistics

	N	Mean	Std. Deviation
How satisfied are you with the current real estate prices	364	3.16	.954
I believe that real estate prices reflect the true value of properties	364	3.89	1.281
the real estate market in Addis Ababa is fair and equitable	364	3.29	1.204
How satisfied are you with the affordability of housing in Addis Ababa	364	3.67	1.305
real estate prices reflect the quality of life in different neighborhoods	364	3.39	1.212
Valid N (listwise)	364		

Based on the descriptive statistics provided for the survey responses related to real estate price determination in Addis Ababa, several insights can be derived.

The respondents' satisfaction with the current real estate prices in Addis Ababa appears moderate, with a mean rating of 3.16. Additionally, there is a stronger belief among respondents that real estate prices generally reflect the true value of properties, as indicated by a higher mean rating of 3.89. However, opinions are more mixed regarding the fairness and equity of the real estate market in Addis Ababa, with a mean rating of 3.29.

Regarding the affordability of housing in Addis Ababa, respondents express moderate satisfaction, with a mean rating of 3.67. Furthermore, there is a perception that real estate prices are reflective of the quality of life in different neighborhoods, with a mean rating of 3.39.

Overall, the data suggests a nuanced perspective on real estate price determination in Addis Ababa. While respondents generally believe that real estate prices align with property values and

reflect neighborhood quality, there are varying levels of satisfaction with the current prices and affordability of housing in the city. The data indicates that perceptions of fairness and equity in the real estate market may be more divergent, highlighting potential areas for further examination and potential improvement in the real estate pricing landscape of Addis Ababa.

4.6 Inferential statistics Analysis

Multiple regression analysis was used to determine the relationship between strategy implementation and the five independent variables. The regression model was adopted for the study is:

4.6.1. Correlation Analysis

Pearson correlation was used to measure the degree of association between variables under consideration i.e. independent variables and the dependent variables. Pearson correlation coefficients range from -1 to +1. A negative value indicates negative correlation and positive values indicates positive correlation.

Rule of thumb for interpreting the size (strength) of a Pearson correlation coefficient (Parvez, 2016).

- .90 to 1.00 (-90 to -1.00) Very strong high positive (negative) correlation
- .70 to .90 (-.70 to -.90) Strong positive (negative) correlation
- .50 to .70 (-.50 to -.70) Moderately strong positive (negative) correlation
- .30 to .50 (-.30 to -.50) weak positive (negative) correlation
- .00 to .30 0.00 to -30) negligible correlation

Table 4: 12 Correlations

Correlations

		CF	BC	MD	NS	MR	RES
Commission fees	Pearson Correlation	1					
	Sig. (2-tailed)						
	N	364					
Breakage competition	Pearson Correlation	.956**	1				
	Sig. (2-tailed)	.000					
	N	364	364				
Market Demand and Supply	Pearson Correlation	.606**	.629**	1			
	Sig. (2-tailed)	.000	.000				
	N	364	364	364			
Negotiation skills	Pearson Correlation	.940**	.909**	.664**	1		
	Sig. (2-tailed)	.000	.000	.000			
	N	364	364	364	364		
Market Regulations	Pearson Correlation	.969**	.962**	.569**	.931**	1	
	Sig. (2-tailed)	.000	.000	.000	.000		
	N	364	364	364	364	364	
REAL ESTATE MARKET PRICE DETERMINATION	Pearson Correlation	.909**	.865**	.652**	.844**	.865**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	364	364	364	364	364	364

**. Correlation is significant at the 0.01 level (2-tailed).

The correlation analysis for real estate price determination in Addis Ababa reveals several significant relationships among different factors. Commission fees show strong positive correlations with breakage competition (r = 0.956), negotiation skills (r = 0.940), and market regulations (r = 0.969), indicating that higher commission fees are associated with increased competition, better negotiation skills, and more stringent market regulations. Breakage competition, negotiation skills, and market regulations also exhibit strong positive correlations with each other, reflecting interrelationships among these aspects in the real estate market. Moreover, market demand and supply, as well as negotiation skills, show positive correlations with real estate market price determination (r = 0.909 and r = 0.865, respectively), suggesting that factors such as demand, supply dynamics, and negotiation abilities play crucial roles in determining real estate prices in Addis Ababa. These correlations underscore the complex interplay of various factors influencing real estate price determination and highlight the importance of considering multiple aspects when analyzing pricing dynamics in the local real estate market.

4.6.2. Regression Assumption Test

Before proceeding ahead, the researcher has checked whether multiple regression have met assumptions.

4.6.2.1 Multicollinearity test

Multicollinearity occurs when independent variables in a regression model are correlated. This correlation is a problem because independent variables should be independent. If the degree of correlation between variables is high enough, it can cause problems when you fit the model and interpret the results (Jim Frost, 2019).

A key goal of regression analysis is to isolate the relationship between each independent variable and the dependent variable. The interpretation of a regression coefficient is that it represents the mean change in the dependent variable for each 1 unit change in an independent variable when you hold all of the other independent variables constant (Jim Frost, 2019).

Table 4: 13 Collinearity Statistics

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Commission fees	.244	8.501
	Breakage competition	.259	7.054
	Market Demand and Supply	.479	2.088
	Negotiation skills	.292	10.908
	Market Regulations	.239	9.448

a. Dependent Variable: REAL ESTATE MARKET PRICE DETERMINATION

The collinearity statistics table provides insights into the presence of multicollinearity among the predictor variables in the regression model. The tolerance values and variance inflation factor (VIF) are used to assess the level of collinearity. A tolerance value close to 1 indicates low collinearity, while a VIF value above 1 suggests the presence of multicollinearity.

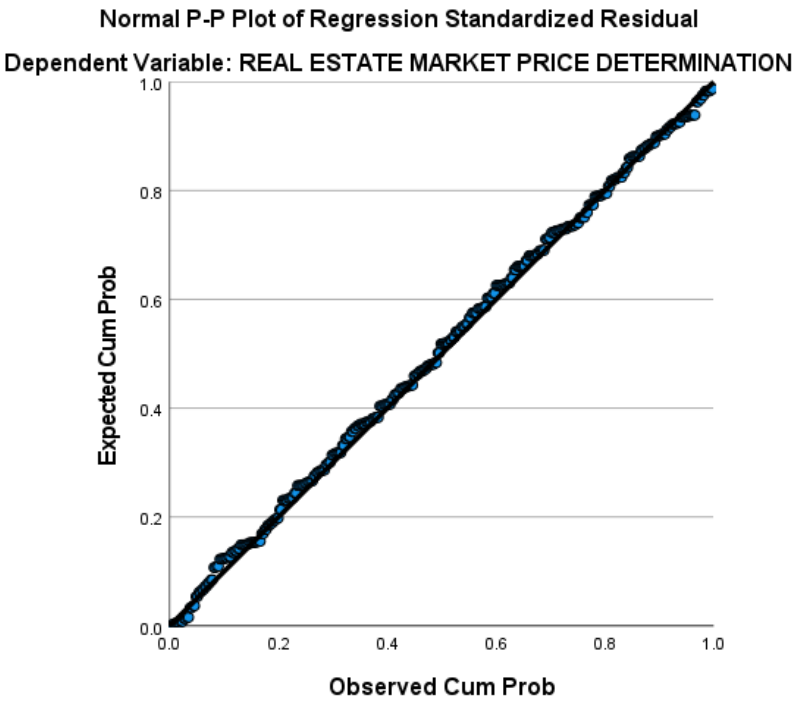
The collinearity statistics for the regression model with REAL ESTATE MARKET PRICE DETERMINATION as the dependent variable reveal varying levels of multicollinearity among the independent variables. Market Demand and Supply exhibit a relatively higher tolerance value

of 0.479 and a VIF of 2.088, indicating a lower degree of multicollinearity. In contrast, Commission fees (VIF = 8.501), Breakage competition (VIF = 7.054), Negotiation skills (VIF = 10.908), and Market Regulations (VIF = 9.448) show higher VIF values, suggesting potential issues with multicollinearity among these variables. Particularly, Negotiation skills exhibit the highest VIF, indicating a strong correlation with the other independent variables in the model. This level of collinearity might impact the stability and reliability of the regression model and necessitates careful consideration when interpreting the individual effects of these predictors on real estate market price determination in Addis Ababa.

4.6.2.2 Linearity Assumption

Linearity refers to the degree to which the change in the dependent variable is related to the change in the independent variables (Balance, 2004). Linearity assumption was tested by producing Normal Probability Plots of the relationship between each of independent variable and the dependent variable of the organization. In a normal probability plot of the regression, standardized results lie in a regularly straight diagonal line from bottom left to top right in the figure 4.1 below:

Figure 4: 1 Linearity Assumption



Based on the provided description, the image appears to be a graph or chart depicting a relationship between two variables. The blue line represents one variable, while the red line represents another variable. The graph is labeled as a "Normal P-Pointr of Regression Standardized Residual." This suggests that the graph may be showing the observed cumulative probability of the variables.

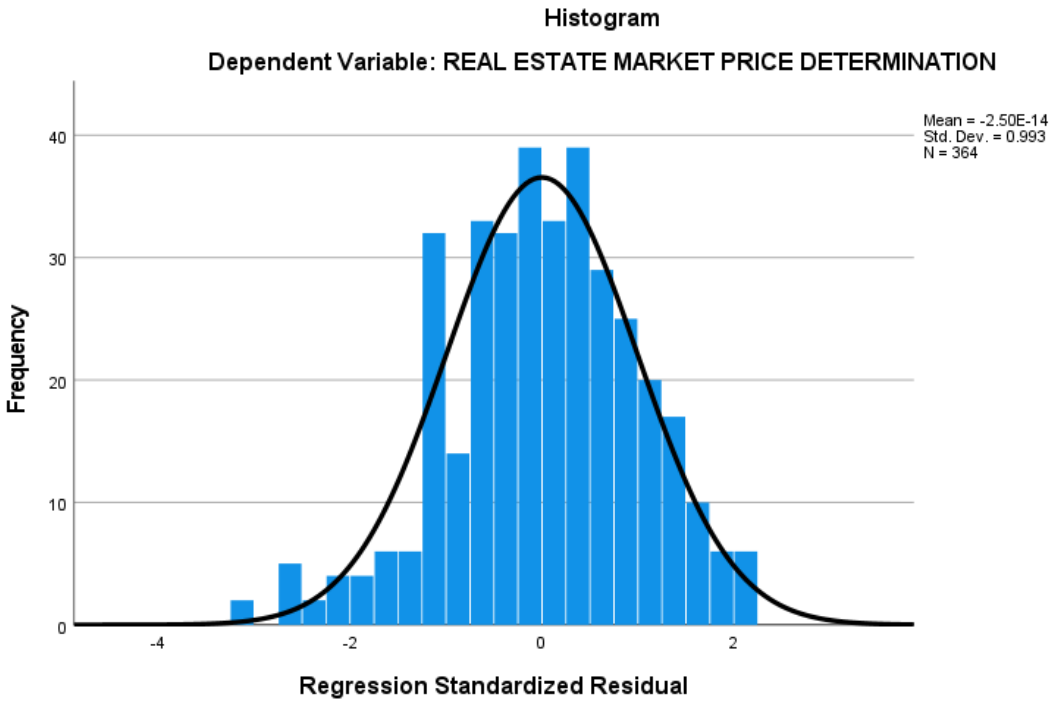
Without referencing the image analysis, it can be inferred that the graph is likely used to analyze the relationship between the variables and assess their distribution. The use of a normal P-P plot suggests that the analysis may involve examining the normality of the variables and assessing how well they fit a normal distribution. The scatter plot further aids in understanding the relationship and distribution of the observed values.

4.6.2.3 Normality Assumption:

Normality is used to describe a symmetrical, bell-shaped curve, which has the greatest frequency of scores in the middle combined with smaller frequencies towards the extremes. A multiple regression assumes that variables have normal distributions. This means that errors are normally

distributed and the values of the residuals will approximate a normal curve. The common method to check normality assumption is a histogram (with a superimposed normal curve).

Figure 4: 2 Normality Assumption



Based on the provided image, it appears to depict a statistical analysis of a dataset. The histogram in the image shows the distribution of a variable, indicating that it is skewed with a long tail on the right side. This suggests that the data may be positively skewed, with a few extreme values on the higher end of the distribution.

The curve in the histogram represents the cumulative distribution function, which shows the probability of observing a value less than or equal to a given value. This can provide insights into the overall distribution and the likelihood of specific values occurring within the dataset.

The figure also includes a regression line, shown in red, which represents the relationship between the dependent variable and the independent variable. It is labeled as the "Regression Line." This suggests that the analysis may involve examining the relationship between variables and potentially conducting a regression analysis to determine the strength and direction of the relationship.

Additionally, there is a scatter plot in the image, labeled as the "Scatter Plot," which shows the relationship between the dependent and independent variables. The scatter plot can provide visual insights into the pattern and strength of the relationship between the variables.

4.6.2.4 Autocorrelation Assumption:

Autocorrelation analysis measures the relationship of the observations between the different points in time, and thus seeks for a pattern or trend over the time series.it is the degree of correlation of the same variables between two successive time intervals (Georgiou, 2019). But classical linear regression model assumes that, there is no serial correlation among error terms. Durbin Watson (DW) test is the common techniques of detecting autocorrelation. The residuals are not correlated if the Durbin-Watson statistic is approximately 2, and found between acceptable ranges of 1.50 - 2.50.

Table 4: 14 Autocorrelation analysis

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.922[a]	.850	.848	.36548	1.607

a. Predictors: (Constant), Market Regulations, Market Demand and Supply, Negotiation skills, Breakage competition, Commission fees

b. Dependent Variable: REAL ESTATE MARKET PRICE DETERMINATION

The autocorrelation analysis for the regression model predicting REAL ESTATE MARKET PRICE DETERMINATION in Addis Ababa indicates a high degree of correlation between the observed and predicted values, with a strong multiple R of 0.922 and an R-squared value of 0.850, suggesting that the independent variables (Market Regulations, Market Demand and Supply, Negotiation skills, Breakage competition, Commission fees) collectively explain 85% of the variance in real estate market price determination. The adjusted R-squared value of 0.848 accounts for the number of predictors in the model, indicating a good fit. The standard error of the estimate is relatively low at 0.36548, reflecting the accuracy of the model in predicting real estate prices. However, the Durbin-Watson statistic of 1.607 suggests the presence of some positive autocorrelation in the model's residuals, indicating that there may be some systematic patterns in the errors that are not accounted for by the current model. Further diagnostic checks may be necessary to ensure the reliability of the regression results and to address any potential issues stemming from autocorrelation in the data.

4.6.3. Multiple Regression Analysis

Regression analysis is a statistical method used to determine the relationship between a dependent variable and one or more independent variables. It can be used to assess the strength of the relationship, model the future relationship, and forecast the future values of the dependent variable.

In a regression analysis, the dependent variable is also known as the response variable, while the independent variable is also known as the predictor variable. The goal of regression analysis is to find the best-fit line that describes the relationship between the dependent variable and the independent variable(s).

4.6.3.1 Model Summary

A model summary in research is a brief description of the statistical model used to analyze the data. It typically includes information about the variables included in the model, the statistical tests used to assess the significance of the variables, and the goodness-of-fit of the model.

The model summary is an important part of any research study because it provides readers with a clear understanding of the statistical methods used to analyze the data and the results of those analyses.

Table 4: 15 Model Summary Statistics

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.922[a]	.850	.848	.36548

a. Predictors: (Constant), Market Regulations, Market Demand and Supply, Negotiation skills, Breakage competition, Commission fees

b. Dependent Variable: REAL ESTATE MARKET PRICE DETERMINATION

The model summary for REAL ESTATE MARKET PRICE DETERMINATION in Addis Ababa indicates a strong overall fit of the regression model. The high multiple R value of 0.922 demonstrates a robust correlation between the predictors (Market Regulations, Market Demand and Supply, Negotiation skills, Breakage competition, Commission fees) and the dependent variable, explaining 85% of the variance in real estate market price determination. The adjusted R-squared value of 0.848, which considers the number of predictors in the model, also supports the model's effectiveness in capturing the variation in real estate prices. The low standard error of the estimate at 0.36548 suggests that the model's predictions are relatively close to the actual values. These results collectively indicate that the selected predictors significantly contribute to explaining and predicting real estate market price determination in Addis Ababa, providing valuable insights for understanding the factors influencing pricing dynamics in the local real estate market.

4.6.3.2 ANOVA

Analysis of Variance (ANOVA) is a statistical method used to test differences between two or more means. It is similar to the t-test, but the t-test is generally used for comparing two means, while ANOVA is used when you have more than two means to compare. ANOVA is based on comparing the variance (or variation) between the data samples to the variation within each

particular sample. If the between-group variance is high and the within-group variance is low, this provides evidence that the means of the groups are significantly different.

ANOVA is typically used in experimental research to determine whether there are any statistically significant differences between the means of different groups. It is also used in regression analysis to test the significance of the regression coefficients.

Table 4: 16 ANOVA

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	270.434	5	54.087	404.910	.000[b]
	Residual	47.821	358	.134		
	Total	318.254	363			

a. Dependent Variable: REAL ESTATE MARKET PRICE DETERMINATION

b. Predictors: (Constant), Market Regulations, Market Demand and Supply, Negotiation skills, Breakage competition, Commission fees

The ANOVA results for the regression model predicting REAL ESTATE MARKET PRICE DETERMINATION in Addis Ababa reveal a highly significant overall model fit. The regression sum of squares is 270.434, with 5 degrees of freedom, indicating that the predictors (Market Regulations, Market Demand and Supply, Negotiation skills, Breakage competition, Commission fees) collectively explain a substantial amount of the variance in real estate market price determination. The mean square value of 54.087 suggests that the variation attributed to the regression model is significantly larger than what would be expected by chance. The F-statistic of 404.910 further confirms the model's overall significance, with a p-value of .000, indicating that at least one of the predictors has a significant effect on real estate market price determination. The residual sum of squares is 47.821, reflecting the unexplained variance in the model, and the total sum of squares is 318.254. These results underscore the strong predictive power of the model and the importance of the included predictors in explaining variations in real estate prices in Addis Ababa.

4.6.3.3 Regression coefficients

A regression coefficient is a measure of the strength and direction of the relationship between the independent variable(s) and the dependent variable. It represents the change in the dependent variable for a one-unit change in the independent variable, holding all other variables constant.

Table 4: 17 Coefficients

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	.523	.096		5.466	.000
	Commission fees	1.030	.086	1.163	11.970	.000
	Breakage competition	-.114	.085	-.113	-1.334	.183
	Market Demand and Supply	.287	.042	.203	6.844	.000
	Negotiation skills	-.265	.076	-.235	-3.474	.001
	Market Regulations	-.048	.098	-.050	-.485	.628

a. Dependent Variable: REAL ESTATE MARKET PRICE DETERMINATION

In the regression analysis of REAL ESTATE MARKET PRICE DETERMINATION in Addis Ababa, the coefficients provide valuable insights into the relationships between the predictors and the dependent variable. To test the null hypothesis for each predictor, we examine the coefficients alongside their associated t-values and p-values.

1. **Commission fees**: The coefficient for Commission fees is significant with a beta value of 1.163, t-value of 11.970, and a p-value of .000, indicating a strong positive relationship with real estate market price determination. The null hypothesis that the coefficient is zero would be rejected.
2. **Breakage competition**: The coefficient for Breakage competition is not statistically significant, as indicated by the beta value of -0.113, t-value of -1.334, and p-value of .183. In this case, the null hypothesis that the coefficient is zero would not be rejected.
3. **Market Demand and Supply**: The coefficient for Market Demand and Supply is significant with a beta value of 0.203, t-value of 6.844, and a p-value of .000, suggesting

a positive relationship with real estate prices. The null hypothesis would be rejected for this predictor.

4. **Negotiation skills**: The coefficient for Negotiation skills is significant with a beta value of -0.235, t-value of -3.474, and a p-value of .001, indicating a negative relationship with real estate market price determination. The null hypothesis that the coefficient is zero would be rejected.
5. **Market Regulations**: The coefficient for Market Regulations is not statistically significant, with a beta value of -0.050, t-value of -0.485, and a p-value of .628. The null hypothesis that the coefficient is zero would not be rejected.

In summary, based on the regression analysis results, Commission fees, Market Demand and Supply, and Negotiation skills appear to have significant impacts on real estate market price determination in Addis Ababa, while Breakage competition and Market Regulations do not show statistically significant relationships with real estate prices in this context.

4.6.3.4 Test the Hypothesis

In the regression analysis of REAL ESTATE MARKET PRICE DETERMINATION in Addis Ababa, the coefficients provide valuable insights into the relationships between the predictors and the dependent variable. To test the null hypothesis for each predictor, we examine the coefficients alongside their associated t-values and p-values.

Commission fees: The coefficient for Commission fees is significant with a beta value of 1.163, t-value of 11.970, and a p-value of .000, indicating a strong positive relationship with real estate market price determination. The null hypothesis (Ho1) that the coefficient would be rejected.

Breakage competition: The coefficient for Breakage competition is not statistically significant, as indicated by the beta value of -0.113, t-value of -1.334, and p-value of .183. In this case, the null hypothesis (Ho2) that the coefficient is zero would not be rejected.

Market Demand and Supply: The coefficient for Market Demand and Supply is significant with a beta value of 0.203, t-value of 6.844, and a p-value of .000, suggesting a positive

relationship with real estate prices. The null hypothesis (Ho3) would be rejected for this predictor.

Negotiation skills: The coefficient for Negotiation skills is significant with a beta value of -0.235, t-value of -3.474, and a p-value of .001, indicating a negative relationship with real estate market price determination. The null hypothesis (Ho4) that the coefficient would be rejected.

Market Regulations: The coefficient for Market Regulations is not statistically significant, with a beta value of -0.050, t-value of -0.485, and a p-value of .628. The null hypothesis (Ho5) that the coefficient is zero would not be rejected.

In summary, based on the regression analysis results, Commission fees, Market Demand and Supply, and Negotiation skills appear to have significant impacts on real estate market price determination in Addis Ababa, while Breakage competition and Market Regulations do not show statistically significant relationships with real estate prices in this context.

CHAPTER FIVE
CONCLUSIONS, AND RECOMMENDATIONS

5.1 Conclusions

Based on the detailed regression analysis of REAL ESTATE MARKET PRICE DETERMINATION in Addis Ababa, several key conclusions can be drawn regarding the impact of different predictors on real estate prices:

Commission Fees: The significant positive relationship between Commission fees and real estate market price determination (Ho1 rejected) suggests that higher commission fees are associated with increased real estate prices. Real estate transactions may be influenced by the fees charged, impacting the final market prices.

Breakage Competition: The lack of statistical significance for Breakage competition (Ho2 not rejected) implies that this factor may not play a significant role in determining real estate prices in Addis Ababa. Other factors in the model seem to have more substantial impacts on price variation.

Market Demand and Supply: The significant positive relationship found for Market Demand and Supply (Ho3 rejected) indicates that fluctuations in market demand and supply have a notable impact on real estate prices. Understanding and responding to market dynamics is crucial for pricing decisions.

Negotiation Skills: The significant negative relationship observed for Negotiation skills (Ho4 rejected) suggests that stronger negotiation skills may lead to lower real estate prices. Effective negotiation strategies can potentially influence the final price outcomes in real estate transactions.

Market Regulations: The lack of significance for Market Regulations (Ho5 not rejected) indicates that the specific regulatory environment in Addis Ababa may not have a direct impact on real estate prices as captured in the model. Other unaccounted regulatory factors or variables might be at play.

5.3 Recommendations

Based on the analysis of the REAL ESTATE MARKET PRICE DETERMINATION in Addis Ababa, the following recommendations can be made to stakeholders in the real estate industry to leverage the insights gained from the regression analysis:

Commission Fees: Given the significant positive relationship between Commission fees and real estate prices, consider adjusting commission fee structures strategically to optimize pricing strategies. Evaluate how different fee levels impact transaction volumes and final prices to maximize profitability.

Breakage Competition: While Breakage competition did not show statistical significance, it's important to monitor competitive factors that could influence pricing in the market. Stay attuned to changes in competitor strategies and market dynamics that could impact pricing decisions.

Market Demand and Supply: Responding effectively to fluctuations in Market Demand and Supply is crucial for pricing decisions. Regularly analyze market trends, demand-supply dynamics, and adjust pricing strategies accordingly to capitalize on market opportunities and mitigate risks.

Negotiation Skills: Acknowledging the significant negative relationship with Negotiation skills, focus on enhancing negotiation capabilities within the real estate team. Investing in training programs or hiring negotiation experts can help optimize deal outcomes and potentially lead to more favorable pricing agreements.

Market Regulations: While Market Regulations did not show direct significance, staying informed about regulatory changes and compliance requirements is essential. Monitor how regulatory updates may indirectly impact real estate market dynamics and pricing strategies to ensure legal and ethical operations.

Overall Strategies: Integrate these findings into a comprehensive pricing strategy that considers the interplay of Commission fees, Market Demand and Supply, and Negotiation skills. Continuously evaluate and refine pricing models based on data-driven insights to stay competitive and responsive to market changes.

Reference

Abay Akalu, 2007. Vegetable market chain analysis in Amhara National Regional State: the case of Fogera woreda, South Gondar zone. M.Sc thesis presented to the school of graduate studies, Haramaya University. pp70.

Adugna Gessesse, 2009. Analysis of fruit and vegetable market chains in Alamata, Southern Zone of Tigray: The case of onion, tomato and papaya. M.Sc thesis presented to the school of graduate studies, Haramaya University. pp98.

Bezabih Emana and Hadera Gebremedihin, 2007. Constraints and opportunities of horticulture production and marketing in Eastern Ethiopia. Dry Lands Coordination Group Report No 46. Grensen 9b. Norway.

Bosena Tegegne, 2008. Analysis of Cotton marketing chains in the case of Metema Wereda, in Amehara National regional state of Ethiopia. An MSc Thesis Presented to School of Graduate Studies of Haramaya University.

Gabre-Madhin, E. Z. (1999). Of markets and middlemen: The role of brokers in Ethiopia.

Donaldson, L. (1990). The ethereal hand: Organizational economics and management theory. Academy of management Review, 15(3), 369-381.

Gizachew Getaneh, 2006. Dairy marketing patterns and efficiency: a case study of Ada'a Liben district of Oromia region, Ethiopia. An Msc Thesis Presented to the School of Graduate Studies of Alemaya University. 100p

Garbade, K. D. (1978). The effect of interdealer brokerage on the transactional characteristics of dealer markets. Journal of Business, 477-498.

Özkan, B., Ilbasmıs, E., & Brumfield, R. G. (2015, May). Management of the production and marketing of fresh fruit and vegetables: a case study of Antalya province in Turkey. In XVIII International Symposium on Horticultural Economics and Management 1132 (pp. 49-54).

Haile, M. (2022). Ethiopian Economics Association (EEA).

Herring, R. J., & Wachter, S. M. (1999). Real estate booms and banking busts: An international perspective. The Wharton School Research Paper, (99-27).

Robles-Garcia, C. (2019). Competition and incentives in mortgage markets: The role of brokers. Unpublished working paper.

Negasi, M. Y. (2015). Marketing system analysis of vegetables and fruits in Amhara Regional State: Survey evidence from Raya Kobo and Harbu Woredas. Ethiopian Journal of Economics, 24(2), 1-41.

Maister, D. H., & Lovelock, C. H. (1982). Managing facilitator services. Sloan Management Review (pre-1986), 23(4), 19.

Moti Jaleta, 2007. Econometric analysis of horticultural production and marketing in Central and Eastern Ethiopia. PhD Dissertation. Wageningen University. The Netherlands. 101p

Million Tadesse and Belay Kassa, 2004. Ethiopian Agricultural Research Organization, Addis Ababa, Ethiopia.21-30p.

IBCCC Own Motion Inquiry Report 'Professionalism and competency', August 2018

(https://www.foxla.com/news/realtors-6-commission-nar-realtor-settlement-buying-selling-home-eliminated).

Jema, H, 2008. Economic efficiency and marketing performance of vegetable production in the eastern and central parts of Ethiopia. PhD Dissertation.

Kotler, P. and G. Armstrong, 2003. Principle of marketing, 10th Edition. Hall of India Pvt. Ltd. New Delhi. pp 5-12.

Rohart, F., Gautier, B., Singh, A., & Lê Cao, K. A. (2017). mixOmics: An R package for 'omics feature selection and multiple data integration. PLoS computational biology, 13(11), e1005752.

Wolday Amaha, 1994. Food grain marketing development in Ethiopia after reform 1990. A case study of Alaba Siraro. PhD Dissertation Presented to Verlag Koster University, Berlin 293p.

Yavaş, A. (1992). A simple search and bargaining model of real estate markets. Real estate economics, 20(4), 533-548.

Poser, F. (2007). Broker-Dealer Law and Regulation (Vol. 1). Wolters Kluwer Law & Business.