Taylor & Francis
Online

Journal of Property Research ›
Volume 27, 2010 - Issue 3: Behavioural Real Estate Research

1,116 Views | 28 CrossRef citations to date | 0 Altmetric

Papers

Experience and real estate investment decision-making: a process-tracing investigation

Vivek Sah, Paul Gallimore & John Sherwood Clements

Pages 207-219 | Received 20 Feb 2010, Accepted 21 Jul 2010, Published online: 10 Nov 2010

Cite this article https://doi.org/10.1080/09599916.2010.518402

Sample our
Built Environment
Journals
>> Sign in here to start your access
to the latest two volumes for 14 days

Full Article | Figures & data | References | Citations | Metrics
Reprints & Permissions | Read this article | Share

Abstract

This study investigates the impact of experience upon trained behaviours in real estate investment decision-making. In a controlled experiment design, two groups of subjects, experts and novices, conduct an evaluation and reach a decision about two investment options. Using a process-tracing technique, each subject's behaviour is observed and recorded. Differences between the groups are discovered in relation to some behaviour characteristics, but experience appears not to impact all behaviours. These findings are discussed in relation to the current absence of a universal normative model of real estate investment decision-making. In an associated component of the study, the belief that monetary compensation is needed in order to render valid results from studies such as this is tested. We find this not to be the case.

Keywords:

Real estate investment decision-making | experts and novices | experience | descriptive behaviour | asset acquisition criteria

Notes

1. The compensation was not insubstantial, being $100 for approximately 30–45 minutes applied to the task.

2. The three experts positioned below vice-president level had 4, 7 and 9 years of experience.

3. While the order of presentation was the same for all subjects, this order was not conceived to reflect any assumed sequence of importance, but was randomised by design. To explore the impact of order of cue presentation on order of cue utilisation a regression was run with the average order number of cues being the dependent variable, and the explanatory variables being the sequence of presentation of the cues and dummy variables for novice or expert groups. This revealed that for both groups the order of cue is significant in explaining the order in which cues are accessed. This complication to interpretation, obviously not confined to real estate behaviours, could be avoided in future research design by randomising cue presentation across subjects.

Related Research Data

Human Problem Solving.
Source: Contemporary Sociology A Journal of Reviews
Real Estate Investment Acquisition Rules For Reits A Survey
Source: Journal of Real Estate Research
Buying expertise, information search, and problem solving
Source: Journal of Economic Psychology
Expert vs novice decision making in accounting: A summary
Source: Accounting Organizations and Society
The Framing of Decisions and the Psychology of Choice
Source: Unknown Repository

Does experience matter in lending? A process-tracing study on experienced loan officers' and novices' decision behavior

Source: Journal of Economic Psychology

Cognitive consequences of forced compliance.

Source: Journal of Abnormal & Social Psychology

Related research

People also read | Recommended articles | Cited by 28

An Investigation of Real Estate Investment Decision-Making Practices >

Edward Farragher et al.

Journal of Real Estate Practice and Education

Published online: 14 Jun 2020

Information for

Authors

R&D professionals

Editors

Librarians

Societies

Open access

Overview

Open journals

Open Select

Dove Medical Press

F1000Research

Opportunities

Reprints and e-prints

Advertising solutions

Accelerated publication

Corporate access solutions

Help and information

Help and contact

Newsroom

All journals

Books

Keep up to date

Register to receive personalised research and resources by email

Sign me up

Copyright © 2026 Informa UK Limited Privacy policy

Cookies Terms & conditions Accessibility

Registered in England & Wales No. 01072954
5 Howick Place | London | SW1P 1WG

Taylor & Francis by informa