



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

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### Abstract

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

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

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

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

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

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

### Introduction

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

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

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

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

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

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

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

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

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

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

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

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

## **Literature Review**

### ***The Role of Information in Property Markets***

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

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

### ***Information Flow in Systems***

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

***Information in Property Markets and Under Perfect Competition***

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

**Table 1.** Perfect Competition and Property Markets

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

*Source: Author's Compilation, 2020*

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

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

**Information Needs in Property Markets**

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

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

**Table 2.** Property Market Information Needs

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

*Source: Author's Research, 2020*

**Sources of Property Market Information**

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

## **Methodology**

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

### ***Factors Affecting Information Accessibility in Developed Property Markets***

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

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

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

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

**Table 3.** The Principal Characteristics of Property Market Maturity

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

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

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

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

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

**Table 4.** Requisites of Information Accessibility in Developed Property Markets

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

*Source: Author's Research, 2020*

#### ***Characteristics of Information***

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

#### ***Sources of Information***

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

#### ***Flow Channels***

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

#### **Results**

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

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

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

Source: Author's Research, 2020

The findings are as follows.

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

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

### **Discussion and Conclusions**

The discussion now considers these findings.

#### **Sources of Information**

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

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

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

*Source: Author's Research, 2020*

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

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

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

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

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

### ***Characteristics of Information***

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

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

### ***Information Flow Channels***

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

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

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

### **Data Challenges in the UK**

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

#### ***Data Availability***

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

#### ***Untrusted or Low Quality Data***

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

#### ***Unreported Data***

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

#### ***Excess Data***

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

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

## **Practical Implications**

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

## **Conclusion and Recommendations**

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

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

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

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

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