

COMPETITIVE INTELLIGENCE AWARENESS IN THE SOUTH AFRICAN PROPERTY SECTOR

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Abstract

The South African property sector contributes highly to job creation, alleviation of poverty and economic growth. Although South Africa has dropped in the global competitiveness ranking, the property sector of South Africa remains very competitive. To survive in a competitive business environment firms seek for tools that offer competitive advantage. It is widely reported the competitive intelligence provide firms with competitive advantage over rivals. Although the awareness of competitive intelligence has been examined in other sectors in South Africa, no study on the awareness of competitive intelligence has yet been conducted in the property sector. This study aims at establishing the extent to which property practitioners are aware of competitive intelligence**.

Keywords: Awareness, Competitive Intelligence, Competitive Advantage, Decision-Making, Property Practitioners, Property Sector

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1 Introduction

Competitive intelligence (CI) improves the quality of products or services, decision-making and the quality of life (Maune, 2014; Du Toit and Sewdass 2014). Moreover, CI provides competitive advantage to firms that are practicing CI (Fatoki, 2014). For these reasons, large and small, public and private and profit and non-profit organisations are practicing CI (Nenzhelele, 2012). Developed countries are more competitive than developing countries because they are at an advanced stage of CI practice (Fatti and Du Toit, 2013). Although South Africa, as a developing country, is competitive, its global competitiveness rating has dropped sharply (The Global Competitiveness Report, 2014-2015). However, the property sector of South Africa remains competitive (EAAB annual report, 2013/2014).

The South African property sector contributes greatly to job creation, skills development, the alleviation of poverty; and to economic growth – It contributes R191.4 billion to the South African economy (http://www.eaab.org.za/property_sector_charter_council). Although the practice and awareness of CI has been researched in other sectors of South Africa, no research has been conducted into the property sector of South Africa. The purpose of this research is to establish the extent to which the property sector of South Africa is aware of CI.

2 Literature review

2.1 Definition of competitive intelligence

There are so many definitions of CI in the literature (Weiss and Naylor, 2010). According to (Brody, 2008), some scholars define CI as a product while others define it as a process. Roitner (2008) concludes that CI is both a product and a process. Most of these definitions differ because of a change in the wording and the use of synonyms and emphasis (Brody, 2008). It has been argued that CI practitioners are too busy and they do not have time to define CI (Fleisher and Wright, 2009). The existence of so many definitions in the field of CI creates confusion among scholars and practitioners (Colakoglu, 2011). Also, it results in CI becoming a practice with unstable borders (Haddadi, Dousset and Berrada, 2010). Due to a lack of agreement on the definition of CI, it has been confused with industrial espionage (Colakoglu, 2011). However, CI is different from industrial espionage, because it is legal and ethical (Haliso and Aina, 2012). Having realised the problem of endless definitions, Pellissier and Nenzhelele (2013) analysed 50 definitions of CI to establish commonality and differences in order to propose a comprehensive and universally acceptable definition. Pellissier and Nenzhelele (2013) define CI as “a process or practice that produces and disseminates actionable intelligence by planning, ethically and legally collecting,

processing and analysing information from and about the internal and external or competitive environment in order to help decision-makers in decision-making and to provide a competitive advantage to the enterprise.” This definition will be used for the purpose of this study.

2.2 Evolution of competitive intelligence

CI evolved from economics, marketing, military theory, information science and library and strategic management (Juhari and Stephens, 2006; Deng and Luo, 2010). The governments of countries rely on intelligence for the protection of their citizens (Deng and Luo, 2010); marketing departments of firms all over the world rely on intelligence for marketing, pricing and promoting their products or services (Nasri and Zarai, 2013); libraries rely on intelligence to provide quality sources of information to scholars (Fleisher, 2004); and strategists rely on intelligence to anticipate and prepare for future competition (Barrett, 2010).

CI has been around longer than the first time it was officially practiced in business and recorded in the literature (Juhari and Stephens, 2006). Since its inception, CI has been practiced by public, private, profit, non-profit, large and small organisations. While CI is a relatively new business discipline, it is becoming increasingly complex and important to keep up with rapid business development (Heppes and Du Toit, 2009). Due to its benefits, more organisations are practicing CI either formally or informally (Nenzhelele, 2012).

Post-apartheid, South African firms have been exposed to global competition (Pellissier and Nenzhelele, 2013) and these firms are practicing CI to survive in the midst of global competition (Du Toit and Sewdass, 2014). This is confirmed by Muller (2006) who points out that CI took root in South Africa in the mid-1990s and early-2000s. CI in South Africa emerged from the business sector (Heppes and Du Toit, 2009). Although South African firms always had the tendency to be inward looking, they are starting to realise the importance of CI from year to year (Adidam, Gajre and Kejriwal, 2009). De Pelsmacker, Muller, Viviers, Saayman, Cuyvers and Jegers (2005) point out that enterprises that formally practice CI are growing in numbers and that CI is especially strong in the banking sector, the information technology sector, the telecommunications sector and the electric supply sector. Although CI practice has been widely reported for large organisations, Nenzhelele (2012) establishes that smaller enterprises in South Africa are also practicing it. Although CI is practiced widely in South Africa in profit organisations, there is lack of report of CI practice in non-profit organisations (Sewdass and Du Toit, 2014).

2.3 Competitive intelligence needs

Managers are paying more attention to CI and as a result there is a growing desire to fulfil CI needs (Barnea, 2014; Lin and Yan-Zhang, 2015). The end product of CI must satisfy the needs of decision-makers and trigger new intelligence needs (Bartes, 2014a; Pinto, 2014). In order to have intelligence needs that are clear, unambiguous and easy to understand, there has to be two-way communication between the CI unit and the decision-makers (Nasri and Zarai, 2013; Du Toit and Sewdass, 2014). Formal meetings must be organised for CI practitioners and decision-makers to discuss intelligence needs (Bartes, 2014b). Decision-makers have plenty of intelligence needs that must be differentiated from information needs, prioritised and translated into key intelligence topics. (Prescott, 1999; Nasri, 2011; Bartes, 2014b; Degaut, 2015). KITs are those decision-based, strategic issues about which managers must be regularly informed to set and implement strategy (Herring, 1999). CI is aimed at answering KITs (Bartes, 2014b). According to Herring (1999), only intelligence needs that are of highest priority and key to the success of the organisation must be fulfilled with the scarce resources. KITs are established and clearly defined during the planning phase of the CI process (Bulley, Baku and Allan, 2014; Yassine, 2014). KITs can come from different levels of management such as strategic, functional and tactical management (McGonagle and Vella, 2012). Quality CI depends on clearly defined and unambiguous KITs (Nasri, 2011; Bartes, 2014b).

According to Barnea (2014), KITs must cover world competition and tactical and strategic issues instead of just local competition and tactical-related issues. It is impossible to gain competitive advantage from CI without clearly defined KITs (Barnea, 2014). According to Herring (1999), there are three categories of KITs, namely strategic decisions and actions; topics requiring early warning and profiles; and characteristics and descriptions of the key players. Strategic decisions and actions include the development of strategic plans and strategies. Early warning topics include competitor initiatives, technological surprise and government actions. Descriptions of key players include competitors, customers, suppliers, regulators, and potential partners.

2.4 Competitive intelligence awareness

Competitive intelligence growth depends on the creation of awareness of its benefits and a change in the way in which enterprises deal with information and how they view it (Muller, 2007). In today's global competitive business environment, only businesses with a CI awareness programme will survive (Căpăţină and Vanderlinden, 2012; Bourret 2012). CI awareness helps raise competitiveness in a sector

which increases the quality of products and services (Wright, Bisson and Duffy, 2012). CI awareness is a critical success factor for CI (Nasri and Zarai, 2013). Although there is a rise in CI awareness, there is still a need for enterprises to raise awareness of CI (Garcia-Alsina, Ortoll and Cobarsi-Morales, 2013; Bartes, 2014b). According to Smith, Wright and Pickton (2010), there is a dearth in the literature regarding the awareness of CI.

Du Toit and Sewdass (2014) and Fatti and Du Toit (2013) recommend that South Africa enterprises develop a competitive culture and create CI awareness among their employees. Raising CI awareness among employees is a major challenge and without a culture of CI awareness it is difficult to develop actionable CI (Nasri, 2012; Barnea, 2014). Employees who are unaware of CI tend to give away information cheaply to competitors; and they still get misinformed by competitors who are well aware of CI (Singh and Vij, 2012; Wright, Bisson and Duffy, 2012). Smith et al (2010) identify the following methods of raising CI awareness: conferences, seminars, speeches and “breakfasts”; financial assistance; education and training and collaborating entities. Nenzhelele (2012) identified the following methods of raising CI awareness: magazines; the internet; trade shows; social networks; friends and families; business associates, blogs, competitors; television; workshops; business meetings, newspapers; and government finance.

2.5 Benefits of competitive intelligence

CI benefits all types of enterprises, including profit and non-profit enterprises, associations and government (Liu and Oppenheim, 2006). According to Hesford (2008), CI is a process that can reduce information uncertainty to such an extent that decision-makers can make better decisions on cost reductions; design and process improvements, new product introductions, product mix choices, and so forth. In addition, Muller (2007) points out that CI fulfils a strategic role in enterprises by providing quality information; increasing general awareness; and improving the identification of threat and opportunity. The benefits of obtaining CI for businesses outweigh the costs by far. The four major benefits are as follows: differentiation; cohesive marketing communication plans; pre-selling an idea to the target market and building credibility with the customers (Johns and Van Doren, 2010).

Pranjic (2011) lists the following benefits of CI: detecting profitable market niches, the strengths and weaknesses of competitors, warning signals in the instance of political instability, recession signals, new administrative and legal possibilities and limitations and new or potential competition; enhancing the reliability of prognoses of leading forces in a business environment; decoding competitors’ intentions; improving the enterprise’s ability to anticipate

surprises; improving managers’ analytical skills; faster and more targeted responses to market changes or reduced reaction time; identifying critical points of vulnerability; early warning of competitive threats; identifying blind spots; synchronising information from all providers; conducting accurate market-place assessments for tactical moves; improving quality in strategic and tactical planning; an increased understanding of customers’ current and future needs; and increasing enterprise learning and sharing of knowledge.

Businesses need both tangible and intangible benefits when investing in resources or systems. They want to know why they must spend their money on CI. If the benefits of a resource or system outweigh its disadvantages, they are more likely to invest in the resource or system. Enterprises that are aware of CI will realise that it offers them many benefits and will invest in it and practice it because it will help them to make quality decisions.

2.6 The property sector of South Africa

The property sector of South Africa is an economic enabler and allows upward economic mobility for future generations (Estate Agency Affairs Board (EAAB) annual report, 2013/2014). It contributes to job creation, wealth creation, skills development and quality of life. It is attractive for investors, facilitates inheritance and creates wealth and alleviates poverty (EAAB annual report, 2012/2013). According to the EAAB annual report (2013/2014), the property sector fulfils the constitutional rights of South Africans, because it gives South Africans an opportunity to own a home. Moreover, property ownership enables access to capital, creates income streams and a sense of security.

However, since the 2008 economic meltdown, the property sector has been striving to recover (EAAB annual report, 2010/2011). Many estate agencies have been shut down due to a lack of funds to sustain them. Many estate agencies owned by people from disadvantaged backgrounds are struggling to survive under these economic conditions (EAAB annual report, 2013/2014). The National Credit Act has contributed to the slow growth of the property sector due to strict measures to protect consumers from sinking into debt (EAAB annual report, 2008/2009). However, the growth of the property industry has picked up from year to year. There has been an increase in principal and non-principal agents, firms and attorneys registered with the EAAB (EAAB annual report, 2013/2014) which makes the property sector very competitive (EAAB annual report, 2010/2011). To remain competitive, more and more property practitioners are listing property on the internet which makes them easily accessible and viewable by consumers. There are many websites in South Africa designated for listing properties and reporting property sector trends. Potential consumers

login to these websites in order to search for properties to buy or to let. These websites also allow individuals to list their properties for sale or to make them accessible for buyers, lessees or estate agents.

The South African property sector is regulated and controlled by the EAAB (Estate Agency Affairs Act 112 of 1976). The EAAB was established in 1976 in terms of the Estate Agency Affairs Act 112 of 1976. Since 17 May 2012, the EAAB has relocated from the Department of Trade and Industry to the Department of Human Settlement (EAAB annual report, 2013/2014). The core mandate of the EAAB remains the following five key regulatory pillars: registration, education, inspections and investigation and discipline; and claims and its industry supervisory role in terms of the Financial Intelligence Centre Act (EAAB annual report, 2009/2010). According to the EAAB annual report 2013/2014, the EAAB regulates and controls the activities of estate agents in the public interest. Moreover, the EAAB ensures that all estate agents that serve the public are registered. The report indicates that each registered estate agency is issued with a fidelity fund certificate which is renewable every year and serves as registration evidence. The fidelity fund certificate also confirms that the estate agency is legally entitled to carry out the activities of an estate agency. The EAAB is also mandated to train and educate estate agents. It does so by introducing improved education and training standards and setting requirements for practical experience (EAAB annual report, 2013/2014). This is meant to professionalise estate agents and ensure that they serve the public professionally and honestly. It also meant to ensure that estate agent is regarded as a professional career which can be considered by young people straight from high school. For this purpose, the EAAB has introduced a 12-month internship programme for potential estate agents. During this 12-month period, the intern estate agent will work under the supervision of a principal estate agent. This is to ensure that the intern estate agent acquires meaningful practical experience.

The EAAB investigates complaints against estate agents and institute disciplinary proceedings (EAAB annual report, 2012/2013). According to the EAAB annual report, 2012/2013, the EAAB receive so many complaints from different stakeholders regarding the service they receive from estate agents. This is because some estate agents take advantage of ignorant customers who do not know about selling or purchasing properties. However, some knowledgeable customers report contraventions of the Estate Agency Affairs Act, theft or mismanagement of trust money (EAAB annual report, 2013/2014). According to the report, other complaints relate to the contravention of the Code of Conduct of Estate Agents. To solve the problem, the EAAB has implemented a mediation process which makes it possible to resolve complaints without resorting to formal disciplinary proceedings (EAAB annual report, 2011/2012) The EAAB annual

report 2011/2012 points out that some cases are referred to different courts and if estate agents are found guilty, their fidelity fund certificates are withdrawn. The EAAB also conduct inspections at estate agencies to ensure that there is compliance (EAAB annual report, 2013/2014). Non-complying estate agencies are referred to the disciplinary process (EAAB annual report, 2010/2011). The EAAB encourages whistleblowing to reduce unethical behaviour by estate agencies (EAAB annual report, 2013/2014). According to the EAAB annual report 2013/2014, consumer education is another measure that the EAAB uses to reduce unethical behaviour by estate agencies.

Money laundering activities among some estate agencies have also been reported (EAAB annual report, 2013/2014). In order to eliminate activities of money laundering, the Estate Agencies Affairs Board (EAAB) is working closely with the Financial Intelligence Centre (FIC). Some estate agencies have been charged and they have lost their fidelity fund certificates due to unethical behaviour in managing their trust accounts (EAAB annual report, 2012/2013). Some of these unethical behaviours include theft of trust account money or using money for irrelevant purposes.

There are many estate agencies, principal estate agents, non-principal estate agents, intern estate agents and attorneys registered with EAAB (EAAB annual report, 2013/2014). By March 2014, 10757 principal estate agents, 14013 non-principal estate agents, 15671 intern estate agents, 8708 firms and 89 attorneys were registered with the EAAB. They all pay levies for the fidelity fund certificate or the renewal thereof, enabling the EAAB to perform its mandates. For compliance purposes and as a monitoring tool, estate agencies are required to submit the auditor's report annually. Failure by estate agencies to submit the auditor's report four months after the financial year of the firm leads to the non-issuing or withdrawal of their fidelity fund certificate. Subsequently, this leads to a reduction in registered and legally permitted estate agencies and an increase in unregistered and illegal estate agencies. After the end of apartheid, in South Africa, there has been an increase in demand for property among previously disadvantaged customers. The increase in customers makes the property sector very competitive (EAAB annual report, 2013/2014).

The EAAB has started an alliance with other organisations to fulfil its mandates and protect consumers from unscrupulous estate agencies (EAAB annual report, 2013/2014). According to EAAB annual report 2013/2014, the EAAB works together with the following organisations: Independent Regulatory Board for Auditors, SAICA, National Consumer Commission, Financial Services Board, Banking Association of South Africa, Service SETA, Black Conveyancers Association and the FIC. The EAAB is also a member of the Association of Real

Estate License Law Officials (ARELLO) and international organisation of real estate regulators. As a result, the EAAB is able to contribute to the international real estate sector. Its membership to ARELLO allows EAAB to remain in the forefront of the international property sector. Therefore, EAAB is aware of best practices and puts the South African property sector in a better position in the world property sector. This makes the South African property sector attractive, competitive, secure and safe for international investors (EAAB annual report, 2013/2014).

3 Research methodology

The research was quantitative by nature and a web-based questionnaire was used to collect data from the estate agencies. The questionnaire was validated by a group of academics knowledgeable in the field of CI. A 5-point Likert scale was used to establish the level of agreement to statements about competitiveness and competitive intelligence awareness. The scales ranged from strongly disagree to strongly agree. The contact details of 3878 estate agencies were sourced from one of South Africa's famous property websites. Of these estate agencies, 350 were randomly sampled for the purpose of this research. The names of the estate agencies were placed in a basket for a lottery draw. The contact details of the sampled estate agencies were then sourced from the original database. An e-mail was sent to the sampled estate agencies with a link to the web-based questionnaire. By completing the questionnaire, the property practitioners consent that their response will be used for the purpose of the research. For every e-mail that sent back a delivery failure, a new estate agency was sampled to replace it. Two hundred and forty two responses were received, yielding a response rate of 69.14%. Only 239 questionnaires completed were usable. Reminder e-mails were sent to sampled estate agencies to increase the response rate. Data was collected over a period of one month. The web-based questionnaire was exported to a spreadsheet for analysis. The internal data reliability was calculated to be 0.9129 (Cronbach' Alpha).

4 Research results

4.1 Demographics

According to Nieman (2006), there are four forms of enterprises in South Africa, namely company, close corporation, partnership and proprietorship. They are defined as follows: proprietorship: an enterprise that has one owner and there is no distinction between the personal estate of the owner and the business estate. Partnership: an enterprise formed when a minimum of two and a maximum of 20 people conclude an agreement to do business as a partnership. Close corporation (CC): a separate legal entity regulated in

terms of the South African Close Corporation Act 69 of 1994. The CC must be registered in terms of this Act in order to attain separate legal entity status. A CC must have at least one member and not more than 10 members. Company: an association of people incorporated in terms of the Companies Act 61 of 1973. A company can have share capital or can be incorporated not for gain, in which case it will not have share capital. Firms that participated in this research were companies (42.86%); close corporations (29.06%); sole proprietorships (23.65%); and partnerships (4.43%). There are nine provinces in South Africa. The majority of the estate agencies operate their business in Gauteng (40.39%) and Western Cape (28.57%). The other provinces were represented as follows: KwaZulu-Natal (8.87%); Free State (7.39%); Eastern Cape (3.45%); Mpumalanga (3.45%); Limpopo (2.96%); Northern West (2.96%); Northern Cape (1.97%). Their focus areas were property rentals, sales, management and development (68.47%), sales only (28.57%) and rentals (2.96%). The majority of estate agencies were very small with 1 to 5 employees (45%). The rest of the estate agencies had 6 to 10 employees (29.56%); 11 to 20 employees (15.27%); 21 to 50 employees (5.42%); 20 to 200 employees (2.96%); and 201 or more employees (1.48%). Financially, the majority of the estate agencies (36.95%) were making a total annual turnover of R1m to R5m. However, 32.51% were making a total annual turnover of less than R1m. A reasonable percentage of estate agencies (12.32%) were making a total annual turnover of more than R64m. Other estate agencies were making R6m to R10m (9.36%); R21m to R30m (5.91%); R31m to R50m (1.48%); and R51m to R64m (1.48%). The majority of the estate agencies had been operating their business for 6 or longer (60.59%). The other estate agencies had been in business for 3 to 5 years (25.12%), 1 to 3 years (10.34%) and less than 1 year (3.94%). The majority of the respondents were owners/managers of the estate agencies (82.18%). The other respondents were property practitioners (10.40%), sales/marketing managers (6.93%) and competitive intelligence professionals (0.50%).

4.2 Competition in the property sector

With regard to competition in the property sector of South Africa, the majority (50.63%) of estate agencies indicated that competition is too high in the property sector. Only 20.92% of the estate agencies disagreed that competition is too high in the property sector while 28.45% neither agreed nor disagreed. Therefore, a mean value of 3.42 indicates that the majority of estate agencies agree that competition is too high in the property sector. A standard deviation of 1.07 indicates that there was wide spread responses to this variable.

4.3 The awareness of competitive intelligence

Regarding the awareness of competitive intelligence, 90.79% of the estate agencies indicated that they are aware of competitive intelligence. Only 4.19% indicated that they are not aware of competitive intelligence and the remaining estate agencies (5.02%) neither agreed nor disagreed. A mean value of 4.21 indicates that the majority of the estate agencies agreed that they are aware of competitive intelligence. A standard deviation of 0.79 indicates that the responses to the awareness of competitive intelligence variable were less spread. Concerning the employees' understanding of competitive intelligence, 74.06% indicated that their employees understand what

competitive intelligence is all about. Only 7.95% of the estate agencies indicated that their employees do not understand competitive intelligence; and the remaining 17.99% neither agreed nor disagreed. Therefore, a mean value of 3.81 indicates that the majority of estate agencies agreed that their employees understand what competitive intelligence is. A standard deviation of 0.88 indicates that the responses to the employees' understanding of competitive intelligence variable were less spread. When asked how they became aware of competitive intelligence, the majority of the estate agencies indicated that they become aware of competitive intelligence through education and training. Table 1 below shows the competitive intelligence awareness methods.

Table 1. Competitive intelligence awareness methods

Awareness method	Percentage response
Education and training	67.13%
Internet	47.69%
Business associates	43.52%
Social network	31.48%
Business meeting	24.54%
Newspaper	21.30%
Competitor	20.83%
Seminar	20.37%
Magazine	18.98%
Conference	16.20%
Workshop	14.81%
Friends and family	12.96%
Collaborating entities	10.65%
Television	6.48%
Trade show	6.02%
Blog	2.78%
Speech	2.31%
Government finance	0.93%

5 Discussion

The majority of estate agencies in South Africa are registered as companies and very few are partnerships. Perhaps this is because the EAAB requires estate agencies to submit annual audit reports. It could also be because estate agencies want to be able to sell shares to the public to acquire resources required for competitiveness. Most of these estate agencies operate their business in Gauteng province while a few operate in Northern Cape Province. Gauteng province is the economic hub of South Africa and has resources and infrastructure that enables businesses to operate and survive. A large number of estate agencies do property sales, rentals; management and development and only a few do property rentals only. Considering that the majority of the estate agencies are very small, one wonders how they manage to do property sales, rentals, management and development. Perhaps the listing of properties on public websites allows them to

render all these services. The internet has opened many opportunities for business and this is why the country invests lots of money in telecommunication infrastructure. The majority of the estate agencies are very small with 1 to 5 employees while very few had 201 or more employees. Perhaps this is because many people do not regard estate agent as a career choice as yet. However, the EAAB ensures that estate agencies are professional enough to attract more people to consider estate agent as a career choice. Most estate agencies are making a total annual income of R1m to R5m while only a few are making R31m to R50m and R51m to R64m. With fewer resources, it is no surprise that some of the estate agencies fail to submit their audit report on time. Estate agencies are not making enough to re-invest and grow. The majority of the estate agencies have been operating for more than six years while very few have been operating for less than a year. The estate agencies are experienced enough to know how the sector works. The EAAB takes

advantage of the experience of estate agents by using them as mentors in the education programmes. This has led to an increase in the number of estate agents registered with the EAAB. It also enhances the credibility of the education offered by the EAAB. Since the majority of estate agencies are small, they are being run by an owner/manager. It is widely recorded that small businesses are managed and run by the owner. This is because small businesses lack funds to employ and pay specialised managers.

While South Africa has dropped in the global competitiveness report 2014/2015, the property sector remains competitive. The majority of the estate agencies agreed that competition is too high in the South African property sector. High competition benefits the customers, in this case property consumers. When competition is high, firms must offer quality service to survive; and firms tend to seek for tools that provide them with competitive advantage over their rivals. It has been widely reported that competitive intelligence help firms to gain competitive advantage over their rivals. Contrary to the plea by scholars to raise awareness of CI, almost all the estate agencies indicated that they are aware of competitive intelligence.

The majority of estate agencies indicated that their employees have an understanding of CI. This means that estate agencies are aware of their internal and external environment. Therefore, they are ready to adapt to the changes in the environment surrounding the property sector. The majority of estate agencies indicated that they had become aware of competitive intelligence through education and training. This concurs with existing literature that education and training is the dominant method of raising competitive intelligence awareness. The EAAB is attempting to improve its education offering and trusts that education will make the property sector more competitive, ensures professionalism and compliance to code of conduct. The internet and business associates also played an outstanding role in raising competitive intelligence awareness in the South African property sector. The internet has been labelled as the greatest source of information for any topic of investigation. It is no surprise that a larger number of estate agencies became aware of CI through the internet. Business associates share information and make themselves aware of available business tools such as competitive intelligence.

6 Conclusion

Despite the fact that South Africa has dropped in the global competitiveness report, the South African property sector remains very competitive. The majority of property practitioners agree that competition is too high in the property sector of South Africa. This is in spite of the fact that the majority of the estate agencies are very small in that they employ at most five employees and make an annual turnover

up to five million rand. The sector remains competitive with fewer resources at their disposal. This is evident in that the property sector contributes highly to job creation, wealth creation, poverty alleviation, and economic development and growth.

Contrary to the plea by scholars to raise CI awareness in South Africa, the property sector of South Africa is aware of CI to a greater extent. This is evident in that the employees have an understanding of CI. They are aware of the competitive environment in which they operate. The majority of estate agencies have become aware of CI through education and training and the internet and business associates. Education and training remain the leading methods of raising awareness of CI. The EAAB is constantly looking for better ways of improving educational offerings. The internet, that has recently been labelled a human right among some estate agencies, is also an important method for raising CI awareness. The South African government has made investments in the upgrade of telecommunication infrastructure to ensure that everyone within the borders of the country is able to access the internet. The EAAB creates platforms for property practitioners to meet one another and share information in roadshows and seminars; no wonder a large number of estate agencies become aware of CI through business associates.

Firms practice CI in order to survive in a highly competitive business environment. This is because CI offers competitive advantage; assists in making quality decisions; improves the quality of products or service and quality of life. There has been a cry to raise CI awareness in all sectors of South Africa. The results of this research show that the property sector of South Africa is aware of CI to a greater extent through education and training, the internet and business associates. There is, therefore, a lesser need to raise CI awareness in the property sector of South Africa.

7 Recommendation and future research

The EAAB and other educational institutions must offer educational programmes in CI. The government of South Africa must work with other organisations to ensure easy, uninterrupted internet access for everyone. The EAAB must continually organise events in which estate agencies meet to share information. This will ensure continual awareness of CI and possible practice.

Future research must be conducted to establish why education and training is the leading method of raising CI awareness; the aspects of CI which are included in the EAAB educational offering; the types of internet applications that are used to raise CI awareness; and the topics discussed in the EAAB which raise CI awareness.

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