

The Debating Group



A Parliamentary forum for Marketing Debate

A career in estate agency or advertising – which is more appealing?

According to Andrew Jack, Managing Director, Pure Media Group “Both advertising and estate agency are about selling – selling goods, commodities and houses”. But estate agents supply you with a means of satisfying your dreams; advertising creates dreams and desires that were not there before. He was speaking at the Debating Group’s debate at the House of Commons on 24 March 2003 for the motion ‘A career in estate agency is more appealing than a career in advertising’. The Debate was sponsored by the Publicity Club of London and brilliantly chaired by the Rt Hon Virginia Bottomley MP for South West Surrey.

Andrew Jack, while acknowledging that a career and its appeal are very personal, compared the two careers in terms of financial rewards, career progression, job satisfaction, social standing and the contribution they make to the community.

Both are service-based industries and both are about selling. One services the business community, the other the general public to sell, source or buy a property. Both career paths offer very good financial rewards. Although during the current economic problems, both are suffering, estate agents fare better at the bottom end of the scale: there is far greater potential early in life. If people are talented both professions offer high rewards. However, estate agents do not discriminate against age or looks. “Advertising agencies are big on looks. They like to employ pretty people”. Estate agencies look for the ability to communicate. They will employ school leavers and offer them a respectable career. Advertising agencies are now loath to take school leavers and only take what they call the ‘best’ graduates.

Both industries offer good career progression. In both you can end up running your own business. It is easier in estate agency.

Talking about job satisfaction, Andrew Jack pointed out that estate agents try to find dream homes for people. They satisfy dreams that already exist. Advertisements create dreams that were not there before.

Andrew Jack suggested that advertising often destroys communities. Large supermarkets like Sainsbury and Tesco took business from local shops which could not compete with their advertising spend. At the local level, estate agents are experts in their communities, getting involved in activities and events.

There is less social conscious in advertising. Advertising is funding globalisation and the concept of one big high street and sales at any cost.

A buzz that can't be beaten

Opposing the motion Andrew Brown, Director General of the Advertising Association, pointed out that it was still possible to work one's way through advertising agencies without being a graduate. He also suggested that estate agents are themselves advertisers. His own argument centred on a career in an advertising agency.

Andrew Brown quoted a Jesuit priest who believed that very few jobs were intrinsically indefensible – the real issue was not what they were but how the individual chose to do them. In opposing the motion Andrew Brown was not in the business of attacking estate agents and those who work in that field. Nor was he in the business of claiming some moral high ground for those who work in advertising. Appeal was a very subjective form of comparison.

The two businesses have much in common. He deliberately used the word 'business' rather than profession, because in neither sector do people need qualifications to practise. Both are first class businesses in the service sector and vulnerable to many similar pressures: the problems of recession; the challenges of the Internet; the vagaries of individual clients and in rather different ways, a dependency on advertising.

Moreover neither business is much liked, particularly by the media, although overall approval ratings of advertising have consistently improved over the last 40 years (to 75% approximately). Advertising has been and remains a constant visitor to the spotlight of political and consumerist examination. There is an admirable record in the investment in and the effectiveness of our self-regulatory system. This is not surprising as consumer trust in commercial communications is what gives viability and accountability to advertising expenditures. This separates them from the incredulity associated with the State propaganda of command economies where little is believed but much is spent on convincing sensible consumers that they are wrong.

The National Consumer Council's report of 1990 on Estate Agencies starts with the words "People do not appear to love estate agents". The estate agency business has also been under a microscope and new codes of conduct and an Ombudsman scheme have subsequently been introduced. But complaint levels are high and continue to grow substantially. They are also growing in the advertising business. The rate of growth is lower but the estate agency business is a bigger market. "Neither of us are completely innocent".

In considering what is 'more appealing' about one business sector than the other one has to deconstruct those elements that make careers attractive.

Money – neither are badly paid; both offer prospects for advancement through individual merit and, if successful, both offer an opportunity to go it alone and be your own boss.

Similarly, job security, or more importantly, the lack of it, are common across both. In the 1990/91 recession both business sectors lost significant numbers of staff.

However, in Andrew Brown's view, in the area of job satisfaction, they appear to be poles apart.

Advertising seems more of a team game; individuals need craft skills but, if operating in isolation, normally lack the necessary synergy to bring about remarkable change. Estate agency careers seem to be less dependent on this characteristic.

Both businesses are about sales, but within advertising there is a need for new and unique solutions for existing customers, rather than repetitive solutions for people who are almost always new customers. “Thus I feel within the advertising industry there is a need for individual skills of curiosity and problem-solving over and above those of presentation and salesmanship”. Advertising is largely, but not exclusively, a team business based on relationship building, not only with your client who pays you, but more importantly with his customers who pay him.

The great discriminator is the advertising itself. Both sectors are dependent on it, but it is the advertising that divides them. Andrew Brown cited the exception in estate agency advertising, Roy Brooks, who, in the 1960s, enhanced the standing of both businesses with his witty and honest advertisements, pointing out the disadvantages of the houses he was selling eg “Seedy family house, two rooms in basement, décor peeling, faded floral and fly blown”.

However, Roy Brooks’ advertisements were the exception. The advertising difference can be summarised by the difference between euphemism and hyperbole. Some of the euphemisms associated with place and distance in estate agency advertisements, according to Andrew Brown, are elements that are unattractive and challenge the best practice of commercial advocacy.

The bulk of the advertising business is not like that. It is an endless pursuit of brand properties. “The whole complex pursuit of unique and innovative solutions in intensely competitive environments, working with talented individuals with differing craft skills in a partnership relationship with clients is, quite simply, a buzz that can’t be beaten”.

In the 1980s Andrew Brown was responsible at JWT for the account management department and therefore for graduate recruitment. While things have changed, particularly through the current advertising downturn, the appeal of the job was apparent through the 2,000 applications that were received every year for six vacancies. “Arrogant or not, we were able to advertise for such graduates with an advertisement whose headline ran ‘If you can’t come in on Saturday, don’t bother to come in on Sunday’ ”.

Community-driven

Seconding the motion Brendon Meehan, Director St Charles Homes, suggested that estate agencies have come a long way since the days of Roy Brooks. It is an industry with no elitism. There is no discrimination against those without formal degrees. Hard work is rewarded with good remuneration. Young people with good communication skills are promoted and not penalised for being school leavers. There are no written criteria for entrance to the business, but employers are encouraged to be members of governing bodies which regulate and train entrants and to fund the training of their staff.

The advertising industry runs numerous training courses but they do not necessarily count for more than a degree or years of administration experience. The National Association of Estate Agents offers a professional qualification – the Certificate in Commercial and Business Transfer Agency. They also run numerous courses to help the industry and NVQs that have been developed for this profession help the individual to progress within it.

It is a community-driven business with estate agencies living and running their businesses in the community. They make practical contributions through sponsorship of fetes, sporting events and membership of local Rotary Clubs.

There is good career progression: in 10 years Brendon Meehan had moved from being a negotiator to owning his own property company.

He felt it was unfortunate that estate agencies had had such a raw deal in the press. He compared the fee structure in estate agencies (1-3%) with that in advertising agencies (up to 17.6%) and believed that it is more transparent in the former sector.

Summarising he argued that a career in estate agency was more profitable and more rewarding than a career in advertising.

Making people laugh

Seconding for the opposition Ester Hjellum, a young employee in HHCL & Partners, gave a personal account of why she decided on a career in advertising. She acknowledged that both businesses are about selling and both can be looked on as bad. An estate agent has to sell a house and gladly leaves out any faults as long as he secures a deal. Just as advertisers have to sell a product and try to hide every negative side from the audience. She has had to defend her choice of career. Most of her friends are anti-capitalist and her family thinks that advertising is unethical.

Ester Hjellum quoted Arne Berggren, a famous Norwegian author and Creative Director. He understood that people didn't trust advertising. "It is the same with any other sales person, car dealers, telephone sales people and estate agents. You know that all they want from you is your money". But he also said that advertising is so much more than just selling stuff: "Advertising can inform. Advertising can change people's views. Advertising can entertain. Advertising can create positive views".

She pointed to all the ads that make people laugh or start discussions around dinner tables. She also cited Barnardo's advertising. The press ads raised more money in 48 hours than in a year without advertising.

She concluded "I could have said I came into advertising because of the money. I could have said that I sit with a good friend and come up with ideas all day long. But what I'll say is that because my job gives me a chance to change opinions, create discussion or make people laugh I think a career in advertising is so much more appealing than as an estate agent".

Discussion from the floor

For

- The speaker had support for the motion because he sold his house one hour after putting it on the market.
- In the advertising business you have to live in London and work longer hours for less pay. Estate agents have more fun living in local communities.
- There is less moral conscience in advertising.
- The future is not in advertising brands but in services. I think the future for advertising is very troubled. The people who *service* the brand make the difference.

Against

- A speaker who had spent his life in advertising claimed that he had loved every minute of it. It is a very challenging profession. And it is down to you. As an account executive you are on your own, responsible for the finances and business of your clients.

It is a power for good. The largest advertiser is the Government department, the COI, which does an immense public service trying to change people's habits eg drink-driving.

There is tremendous technical skill in putting together consumer campaigns.

It is a career which is testing and fun. There is an opportunity to travel, to deal with many different types of groups.

“It is a tough and competitive business, but I wouldn't be an estate agent to save my life”.

- A lot of people have had bad experiences with estate agents, where houses have been oversold and their merits overstated. A product has to live with its advertising or it dies. In the estate agency sector you have to pay a surveyor to find out the truth.

- Working in advertising agencies is tremendous fun. It is a creative and stimulating environment, working across countries and markets. Advertising agencies do a very valuable job in dealing with companies to create and move brands, shift perceptions and create wealth.

- Shopping malls may have harmed local shopkeepers, but who sold the buildings?

- ‘I'm in advertising’ is a better chat-up line than ‘I'm an estate agent’.

Summing up

Summing up for the opposition Andrew Brown stressed that advertising is about choice. That is why advertising exists in developed countries.

While the proposers suggest that commission in estate agency is much lower than in advertising agencies, the figure of 1-3% compares with media agencies. The high commission rate quoted is a gross conversion for the 15% which is the usual amount for *full service* agencies. He did not feel that estate agents justified an additional 12% for creativity.

Sainsbury's out-of-town outlets were not an advertising matter – they were a matter for a debate about property rather than advertising.

In Andrew Brown's view if you have to pay £30,000 for a school leaver, your business has a problem. This denotes a crisis of confidence in your business.

However, he believed that Ester Hjellum, who had joined the business from a culture which was opposed to it, was a better proponent of the opposition than himself.

Andrew Jack suggested that advertising is not about choice. It can sway people. Advertising agency people are very clever; they understand people's psyche and how they react. He cited a poster campaign for a non-existent product which people responded to by asking for that product.

Andrew Jack believes that the advertising business needs more consciousness. It is more interested in building global brands than in moral conscious. "If you have a conscious think carefully. Would you rather help people to find their dream home or help people to be slimmer?"

The result

The motion was defeated on a show of hands by a substantial majority.