

B2B or B2C ? – A Case of Real Estate Industry –

Hideji KOBAYASHI

Waseda University, Institute of Real Estate Studies

There is classification as B2C and B2B for an information industry. This study has for its object to make the difference between the B2C and the B2B clear targeted for the real estate business. This research has novelty in the place the company which has that caught by the ratio, not to specialize one of B2C or B2B. As a result of the analysis, it was confirmed that the difference in the B2C and the B2B which are the special quality of the business structure inside each company influences beta value. The meaning to share a company with B2C and B2B in classification of industries and an investment strategies is suggested. It was also possible to indicate an interesting thing as an analysis target because real estate business and REIT were the simple industry standardization advanced this.

Key words: B2B and B2C, unlevered beta, real estate industry, J-REITs, firm size

1. Preface

An industrial analysis of macro economics is often divided into 2 groups. There are a way to separate of manufacturing industry, service industry, export type, domestic demand type, large enterprise, small and medium enterprises, the capital concentration type, the labor concentration type, business firm and financial institution.

There is classification as B2C and B2B for an information industry. For this difference means that a business domain target and business model composition are whether a buyer of a product and an object of service are a consumer group or a corporation.

For example, Nintendo is B2C and IBM is B2B for epitome enterprises,

The contents of goods and service are different obviously. Also there are differences in the scale of the dealings, frequency, the number of trading partners, the business practice, the price-setting, the settlement means, the contract confirmation and the consumer-protection law and

so on.

It's possible to apply this to other industry. By classification of industries of the macro public statistics, it's divided as "the intermediate demand" and "the final demand". Or economic fluctuation catches a change in investment in capital investment and consumer trends.

But it's rarely analyzed about its difference. So this study has for its object to make the difference between the B2C and the B2B clear targeted for the real estate business.

This study thinks the business structure inside each company shows in risk and return seen from the outside financial market and analyzes the relationship.

When B2C and B2B influence beta value of the market, you should be able to explain beta value as the explanatory variable by a variable of the business structure. Not to divide the enterprise which has that in two in B2C and B2B, but its percentage will be calculated.

The reason that real estate business was taken up is because import and export aren't and business contents are plain