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## From Mission to Market: Values-Based Effectuation for Resilient Growth

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**Abstract:** In emerging markets, growth stories often begin with a non-negotiable mission rather than forecasts and predictions. This paper reframes entrepreneurship through the lens of values that provide a normative compass aligning strategy, experimentation, and everyday practice.

Drawing on a case study of Property Finder, we show how resilient scaling emerges from effectual action – starting with available means, learning through experiments, and building partnerships – while remaining coherent with the mission to simplify the home-finding journey. Rather than treating uncertainty as a planning problem, Property Finder approached it as a design space, using values to decide what to try, what to stop, and how to define success beyond short-term metrics. The result is coherent adaptation: a development pattern that enables innovation without losing strategic direction.

For researchers, the paper illustrates how normative commitments shape entrepreneurial decision-making. For founders and executives, it offers a leadership logic for governing exploration and long-term growth in emerging contexts.

**Keywords:** Values-based innovation; normative management; mission; growth strategy; effectuation; market-creation; property market.

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### 1 How Normative Commitments Drive Marketplace Innovation

Values-Based Innovation (VBI) emphasizes that an organization's normative commitments – its sense of 'who we are' – can serve as a primary driver of innovation (Breuer & Lüdeke-Freund, 2017a). By treating values as facilitators and guiding constraints, VBI reframes innovation as a purpose-driven process. To understand how abstract values like transparency translate into market-making strategies and novel offerings, this study employs effectuation theory, which views entrepreneurship as an

iterative process that starts with available means and co-creates markets through partnerships (Sarasvathy & Dew, 2005). Combining both approaches we show how values serve as a compass for the adaptive journey of effectuation.

The case of Property Finder illustrates this synergetic understanding. Beyond merely tapping market opportunities, the founders identified the lack of a normative framework in Dubai's regional real estate as a primary barrier for their business development. Fraudulent or unreliable practices and artefacts like fake or duplicate listings, misleading photos, inflated claims, and imaginary properties undermined trust in real-estate classifieds and potential customers' willingness to search, inquire, and transact online. Property Finder's mission to simplify home-finding (Property Finder Group, 2025) was operationalized through a non-negotiable commitment to transparency and trust, which served as the normative compass for strategic and product choices. Beginning with a reorientation around transparency in 2018, the company translated this value into strategic partnerships and verification systems that redefined the industry and helped to achieve unicorn valuation by 2024. This paper traces that journey to address the question: "How does a marketplace grow through Values-based Innovation and Effectuation?"

## **2 Concepts of Values-Based Innovation and Effectuation in Real Estate**

The theoretical foundation for the study integrates two complementary frameworks for innovation and entrepreneurship research: Values-based innovation management and new market creation through effectuation. It is applied to a contemporary real estate market case to explain its ongoing, values-driven transformation.

Throughout our discussion, mission refers to the enduring customer-oriented 'why' (simplifying home-finding in the case of Property Finder), values refer to non-negotiable normative commitments that constrain and enable action (transparency/trust), and strategic ambition denotes an explicit competitive aspiration (becoming the most trusted platform). We use effectuation's term 'available means' consistently to denote identity, knowledge, and networks that seed action under uncertainty.

### *Values-Based Innovation (VBI) Management*

VBI posits that values and normative orientations provide critical sources of and drivers for innovation (Breuer & Lüdeke-Freund, 2017a/b). This approach complements the traditional focus and search for revenue and competitive advantages with values-based view on new business development. The framework (Breuer & Lüdeke-Freund, 2017b) distinguishes between three interconnected management dimensions.

1. **Normative:** This concerns the organization's fundamental purpose and identity. Core values established at this level, such as a commitment to transparency or sustainability, provide the guiding direction for all activities.
2. **Strategic:** Here, normative commitments are translated into long-term goals and competitive positioning. Values inform the redefinition of business objectives, often triggering radical business model innovation.
3. **Operational/Instrumental:** This involves the day-to-day execution of strategy through specific products, services, and processes that embed the organization's core values into tangible market offerings.

Within this framework, values perform a critical directive function, acting as a compass to ensure innovation efforts are coherent and aligned with the firm's purpose.

### *Effectuation and Research Gap: Market Creation Through Transformation*

While values-based innovation clarifies the normative 'why' of innovation, we still lack a cohesive framework that explains the development pattern – the strategic 'how' – by which firms translate normative commitments (e.g. transparency) into concrete strategic choices, partner configurations, and market-making products that successfully create a new market.

Effectual market-making creation logic (Sarasvathy & Dew, 2005) posits that, rather than relying on predictive strategy and market forecasts, effectuation begins with 'available means'. The framework suggests that innovation starts with existing resources and internal values rather than pre-set goals, focusing on manageable risks rather than expected returns, building partnerships with 'self-selected' stakeholders to co-create the market. By leveraging these principles, a firm can transform its normative commitments into institutionalized market realities.

To date, these two approaches have not yet been combined and applied to emerging real estate markets, even though their combination holds the potential to provide a better understanding of these markets' development and the decisive factors for market entry. This study addresses that gap by using a case study to theorize how a values-based effectuation approach operationalizes normative intent into institutionalized market realities in a real-estate setting.

## **3 Methodology: Single-Case Study and Triangulated Secondary Data**

This section outlines the methodological approach used to explore how a digital marketplace like Property Finder can grow through values-based innovation management and effectuation. It describes the research design, the rationale for the case selection, the unit of analysis, and the procedures for data collection and analysis.

### *Research Design Approach and Unit of Analysis*

This paper employs a descriptive and explanatory single-case study methodology. This approach is particularly well-suited for answering 'how' and 'why' questions, as it allows for an in-depth investigation of a phenomenon within its real-life context (Yin 2018). The purpose of this approach is to bridge theory and practice, generating actionable insights for entrepreneurs facing similar challenges in transforming opaque, institutionally complex markets. Our unit of analysis is Property Finder's strategic implementation under uncertainty as a driver for growth. The analysis can move beyond a general historical account to a specific examination of how a normative value was translated into instrumental product features that directly impacted market growth and competitive positioning.

### *Data Collection*

This research is based on the analysis and synthesis of secondary data. The data sources were triangulated from multiple categories:

- **Academic and Business Case Literature:** This includes foundational papers on effectuation and VBI, as well as a previous case study on Property Finder (Palepu et al. 2020).
- **Public Corporate Communications:** Information was gathered from Property Finder's official website, news releases, and reports such as the annual Market Watch providing insight into the company's public positioning and performance metrics.
- **Media and Interviews:** Publicly available interviews with founder Michael Lahyani and other key executives were analyzed to capture the strategic thinking and rationale behind key decisions. News articles and press releases corroborate the timeline and impact of product launches and strategic initiatives.
- **Author's Professional Experience:** The analysis is also informed by one of the author's direct professional experiences as a former employee at Property Finder. However, we treated this insider knowledge as sensitizing context rather than evidence. The factual claims about products, partnerships, and milestones were retained only when corroborated by public documentation or independent reporting.

#### **4 Analysis: Translating Normative Commitments into Market-Creating Capabilities – The Property Finder Trajectory (2018-2024)**

Property Finder was founded in Dubai in 2005 by Michael Lahyani as Al Bab World, a print real estate magazine created to bring transparency and structure to the fragmented property listings market of the United Arab Emirates. As brokers and consumers were starting to trust online search, the company pivoted toward a digital portal. In 2007 REA Group took a majority stake and rebranded it as Property Finder, accelerating the shift from print to an online portal. Its early years were shaped by market-making work – signing agents, standardizing listings, and proving the value of online discovery – while competing with fierce incumbents (Keith 2024). The economic downturn of 2008–2009 forced the young company to fight for the survival of its digital marketplace in an industry that was still in its infancy, and in 2010 gave the founders the opportunity to buy back control with the majority of shares. Until 2018 managed to expand regionally (e.g., Qatar 2012; Bahrain & Egypt 2013; Saudi Arabia 2014).

##### *Operationalizing Transparency (2018-2021)*

Following a \$120 million funding round in 2018, Property Finder (PF) embarked on a period of intense product innovation and rebranding (General Atlantic, 2018; Reuters, 2018). The firm signalled a renewed focus on its core value: transparency. This value was translated into features that addressed the market's critical pain points. Property Technology (PropTech) provided instrumental data analytics, AI, and digital platforms tools to dismantle the industry's historical opacity by enhancing transparency and efficiency (Kassner, Cajias & Zhu, 2022; Saull, Baum, & Braesemann, 2020).

Property Finder launched two foundational data-centric products: First, Mo'asher (2019) was launched in partnership with the Dubai Land Department (DLD 2020) as Dubai's first official sales and rental price index. This move institutionalized transparency and lent official credibility to market data. Next, the Data Finder (2020) platform

provided users with market data, including historical transaction prices and community insights (Property Finder, 2020; Property Finder, 2025). It gives home-seekers the tools to independently verify information (Property Finder, 2023).

#### *Solidifying Trust and Achieving Unicorn Status (2021-2024):*

This period was characterized by the launch of more advanced, AI-driven products which ultimately propelled the company to its unicorn valuation.

**Tackling Inauthenticity:** A persistent problem in the MENA real estate market was the prevalence of fake or unavailable listings used as ‘click-and-bait’ by agents (Palepu et al., 2020). A company survey confirmed that for 44% of home-seekers, “unreliable agents” were a primary concern (Campaign Middle East, 2022; Property Finder, 2022).

**Verified Listings:** This feature requires agents to submit official documentation to prove their right to market a property. Once checked by a quality control team, the listing receives a ‘verified’ badge and a ranking boost (Property Finder, 2025 / 2024). This transforms the abstract value of trust into a tangible signal for consumers.

**SuperAgent (June 2022):** This AI-driven ranking system builds upon verification by rewarding high-performing agents for their responsiveness and the quality of their listings.

**Empowering Users with Advanced Analytics: Data Guru (September 2023),** this tool is integrated into the website and app, serving as a one-stop solution for home-seekers. It provides historical transactions, community insights, and other crucial data points to empower their decision-making at every step of their journey (Property Finder, 2023).

#### *Milestone Achievement, reaching Unicorn Status (2024)*

By 2024, Property Finder’s valuation exceeded \$1 billion. This milestone was a powerful market validation of the company's core strategy. It demonstrated that a commitment to building transparency and trust-systematically- was not only a normative value but also the cornerstone of a highly successful and scalable business model in the region.

#### *An explanatory development pattern*

We employ an explanation-building logic (Yin, 2018) to trace how Property Finder translated a normative commitment to transparency into strategic decisions and instrumental products that altered market practices in the MENA real-estate ecosystem. The empirical narrative is organised in two overlapping phases (operationalising transparency, 2018–2021; solidifying trust and growth, 2021–2024). For each phase, highlighting (a) the observable events and products, (b) how these map onto the three VBI levels (normative, strategic, instrumental), and (c) the development pattern by which values were converted into market-creating capabilities. Where possible, claims are triangulated with public documentation, press coverage, and industry reports.

Nevertheless, the sequential evidence suggests a plausible explanatory development pattern: From normative anchoring to strategic institutional partnerships and business-model innovation to iterative instrumentalization via product pilots to amplification through analytics and algorithmic scale, and market validation. Values furnish directional coherence while effectual practices provide adaptive development patterns for converting those values into market-creating capabilities.

## 5 Discussion: Values as Effectual Means and Market Infrastructure

Building on Section 4, we explain how the value of transparency became a market-shaping capability and derive implications for theory and practice.

### *Theoretical implications*

First, the study shows values-based effectuation at work in an empirical case: Normative values operate as the initial stock of ‘available means’ that seed an effectual process of market creation. Effectuation theory posits that entrepreneurs begin with ‘who I am, what I know, and whom I know’ and then engage stakeholders to produce commitments that expand resources while simultaneously converging constraints (Sarasvathy & Dew, 2005). In Property Finder, the normative reorientation (2018 rebranding) functioned as the ‘who I am’ resource, thereby enabling the firm to attract institutional partners and users whose commitments supplied new means for further transformation. Values provide directional coherence, while effectual action provides adaptive conversion into market infrastructure (Breuer & Lüdeke-Freund, 2017a/b; Sarasvathy & Dew, 2005).

Second, the analysis identifies a dual role for normative values as both constraints and enablers. Values narrowed the firm’s strategic option set and thus focused investments on partnerships and product features aligned with transparency. Concurrently, those same values increased the firm’s attractiveness to partners and users, generating commitments that expanded available resources. This dual effect explains how a values-based identity can produce consistent long-term direction without impeding the experimentation and iteration central to effectual action.

Third, our results suggest that in weak-trust markets, platform emergence hinges less on features than on credibility infrastructure – institutional partnerships and productized trust signals (e.g., Mo’asher, Verified Listings, SuperAgent). Thus, the values-based effectuation lens extends platform theory’s explanatory reach into contexts where information asymmetry and weak institutional trust are primary frictions.

### *Value-to-Capability Transformation*

The empirical development traced in Section 4 demonstrates how values become market-creating capabilities: (a) normative anchoring supplies identity and credibility; (b) strategic choices operationalize that identity via institutional partnerships and business-model adjustments (e.g., a pay-per-listing pricing and credit system for real estate agents, brokers, and developers named PF Flex); (c) instrumental products embed verifiable signals in the marketplace (Data Finder, Verified Listings, SuperAgent); and (d) stakeholder commitments induced by those instruments expand resources and further constrain possible market forms, producing market change. Each instrumental rollout functions as an effectual commitment, an affordable-loss experiment that brings new means into the evolving network and incrementally shapes market institutions (Sarasvathy & Dew, 2005).

### *Practical implications*

For practitioners operating in weakly regulated markets, three lessons emerge:

1. Operationalize values early and visibly: Translating normative commitments into low-cost, high-visibility instruments (badges, indices, basic verification

workflows) can catalyze stakeholder trust and initiate commitments that multiply resources.

2. Use affordable-loss experiments to manage risk: Use small, low-risk experiments to learn and improve without putting the core business (operations or values) at stake.
3. Pursue institutional partnerships strategically. Where credible public partners exist, public-private collaborations can accelerate legitimacy and amplify the signal value of private products, thereby reshaping industry incentives more rapidly than unilateral private action.

Policymakers may note that selective cooperation with credible private actors can accelerate transparency and consumer protection, particularly where regulatory capacity is limited but governments are willing to co-create standards.

#### *Boundary conditions and alternative explanations*

This development pattern is most relevant when trust deficits and information asymmetry constrain market exchange, and credible partners amplify legitimacy. Capital, timing, competition, and macro conditions also shaped outcomes, so values-based effectuation should be seen as one interacting driver, not a sole cause. As platforms mature, the logic typically shifts from experimentation to optimization – an important boundary for generalization.

## **6 Conclusion: A Development Pattern of Values-Based Effectuation**

We propose that in low-trust, high-asymmetry markets, normative commitments function as an effectual resource – an identity anchor that attracts stakeholder commitments – thereby enabling a development pattern based on values to credibility partnerships, productized trust signals and platform scaling. Property Finder's growth can be read as values-based effectuation: transparency and trust acted as a reliable compass while the firm learned, partnered, and iterated under uncertainty. Across the case, normative commitments were translated into strategic partnerships and concrete trust features that reduced information asymmetry and improved market credibility. The central takeaway is coherent adaptation-scaling without losing direction – because values governed what to build, whom to partner with, and when to stop. Three lessons to take away:

1. Entrepreneurs should know their purpose and lead with an explicit value anchor: A non-negotiable identity in the normative management dimension ('transparent and trusted' in the case of Property Finder) secures stakeholder commitments and guides decisions when forecasts fail and trade-offs intensify.
2. Make values operational through trust infrastructure. Convert abstract commitments into visible, verifiable market signals (indices, verification, ranking rules) that users and partners can immediately test and rely on. Property Finder operationalized its values of 'transparency and trust' through innovative platform features, improving user experience and industry standards.

3. Entrepreneurs should expect mature markets but also look for broken systems to transform. Echoing the effectual view of market creation, Lahyani targeted the opaque print-based real estate sector and reimagined it through transparency, showing that markets are co-created rather than discovered.

This study concludes that in uncertain environments, marketplace growth is not just driven by prediction or market-gap analysis, but also by the entrepreneur's ability to transform existing structures through values-based innovation and effectual experimentation. For theory, the case illustrates the symbiosis of VBI and effectuation: values provide direction while effectual logic translates them into products, partnerships, and institutions. For practice, it underscores that success in emerging markets lies not in finding opportunities but in repairing flawed systems with purposeful, incremental, and credible innovations.

Ultimately, Property Finder's story demonstrates a broader principle: in creating new markets, what an organization stands for can be as decisive as what it builds.

#### *Limitations and future research*

The study relies on secondary sources and an ex-employee's interpretive lens; although triangulation and a documented audit trail mitigate bias, the insider perspective can shape interpretation. The single-case design provides depth and theoretical development but only allows for analytic generalization (Yin 2018) where findings are generalized to theoretical propositions and comparable market situations rather than populations.

To consolidate and generalize the VBI-effectuation model, future studies should pursue (1) comparative case research contrasting firms that did and did not use values-based strategies across similar institutional contexts; (2) longitudinal quantitative tests measuring pre- and post-intervention changes in listing quality, complaint volumes, and adoption metrics; (3) experimental or survey work testing stakeholder responsiveness to normative signals, and (4) process studies that map the transition from values-based effectuation to causal logic as platforms mature and scale.

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