Contextualizing the “Spanish dream”: using critical HRM to understand immigrant homeownership in Spain, 2000–2009

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Contextualizing the “Spanish Dream”: Employing Critical HRM to Understand Immigrant Homeownership in Spain, 2000-2009

Abstract

Purpose - A pronounced rise in post-pandemic immigration is creating consumption opportunities and challenges for countries worldwide. Past research has shown that immigrant homeownership indicates advanced consumer acculturation. However, critical factors which differentiate immigrant decisions to purchase a home remain underexplored. This study examines the importance of different identity resources in determining homeownership gaps between immigrant groups in Spain during a dynamic decade.

Methodology - A mixed-methods research design with triangulation was employed. First, the critical ‘historical research method’ (HRM) is used to empirically assess 15,465 household-level microdata files from the National Immigrant Survey of Spain. Second, the analysis is corroborated through informant interviews, an evaluation of digital news archives, and other historical traces such as relevant advertisements in Spain from 2000 to 2009.

Findings - Results provided an account of immigrant homeownership whereby foreign-born consumers leveraged resources to promote social identities aligned with an advanced level of acculturation through housing investment during this period. Furthermore, marketing focused on specific targets of ethnic minority consumers coupled with government policies to promote immigrant homeownership reinforced the “Spanish Dream” as a new paradigm for housing market integration.

Originality - Spain provides an unprecedented historical context to explain marketing-related phenomena due to a perfect storm of immigration, job availability, and integration supports. Contrary to popular wisdom, immigrant consumer homeownership gaps are not solely a result of differences in income and economic mobility, but rather an advanced acculturation outcome driven by personal and social investments in resources that lead to consumer identities.

Keywords Spain, Consumer acculturation, Immigrant home ownership, Identity capital model, Quantitative history

Paper Type Research paper
Introduction

Consumer acculturation is characterized in the literature as a process that involves an examination of immigrants’ identities in the context of cultural exchanges motivated by the interaction of individuals with new consumer cultural values, beliefs, and behaviors (Askegaard et al., 2005; Luedicke, 2011; Triandis, et al., 1986). The degree of adaptation to a consumer culture may define distinct preferences for particular goods and services (Martin, 2012; Ogden et al., 2004). Some of these preferences have the objective of expressing distinct features of consumers’ identities (Deshpande et al., 1986; Berger and Heath, 2007).

Homeownership is a decision characterized as reflecting more than investment-related aspects and expressing identity (Oyserman, 2009). More particularly, for immigrants, homeownership is regarded as a milestone of acculturation in the receiving society and marketplace (Alba and Logan, 1992; Borjas, 2002; and Myers et al., 2005). Nevertheless, researchers are calling attention to significant gaps between immigrants and indigenes in their homeownership attainment that are not explained by these groups’ distinct demographic and socioeconomic compositions (Kauppinen and Vilkama, 2016).

In this historical study, we argue that these gaps can be better explained if the homeownership decision is understood as encapsulated within the process of identity examination ensued by acculturation. If homeownership among immigrants is considered as a sign of advanced adaptation to the receiving society’s values, beliefs, and behaviors, then this decision should reflect the identity challenges motivated by the exposure to a new consumer culture. We use Côté and Levine’s (2002) identity capital model as a conceptual framework to explore this notion. Identity capital considers individuals as participants in “markets of
identities” where they “buy and sell” social and personal identities by exchanging tangible and intangible resources that are key to negotiate a variety of identities.

The case of Spain provides historical context to investigate this phenomenon given this country’s intense and rapid flow of immigration experienced between 2000 and 2009, the prevalence of homeownership as a housing tenure choice among natives, and the relative lack of institutional barriers to property ownership by foreigners. Furthermore, prior scholarship has framed the well-documented mortgage boom in Spain almost exclusively through financial or economic lenses (e.g., Akin et al., 2014; García Lamarca and Kaika, 2016) that provide an incomplete assessment of housing consumption and its social context, particularly for ethnic migrant groups. These features position Spain as a rich and interesting canvas to explore homeownership attainment among immigrants as a sign of advanced integration into the consumer culture and the identity developments driving this decision.

We address the following research questions: (1) To what extent homeownership among immigrants in Spain during the housing and immigration boom of 2000-2009 reflected a process of identity fluidity? (2) How do the strategies pursued by immigrants in their journeys to construct their new identities and attain homeownership compare to each other?

Our results extend previous research identifying homeownership as a decision associated not only with features typical of acculturated immigrants but also one involving more than just investment-related questions. Our models explain approximately 70 percent of the homeownership gaps between the largest immigrant groups in Spain, with almost half of these gaps being accounted for by the accumulation of tangible and intangible identity resources. Our findings highlight the distinct roles these two types of identity resources play in the attainment of homeownership by different immigrant groups. Implications for policy makers are also
discussed. Methodologically, our study contributes by advancing the quantitative history approach (Anderson, 2007) in historical marketing research while triangulating with traditional historiographic methods.

**Origins and development**

*Consumer acculturation and homeownership*

Acculturation is understood as the extent to which an individual’s values, beliefs, and behaviors are influenced by another culture (Triandis, *et al*., 1986). In the case of individuals adapting to new cultural environments, especially those in which the self is largely defined through consumption, this process is known as consumer acculturation (Luedicke, 2011). Consumer acculturation can happen when consumers move toward cultural change, as in the case of immigration projects (Penaloza, 1994), or in response to change, as when consumers experience different cultural influences or exchanges *in situ* (Touzani *et al*., 2016). The literature has evolved to characterize this process as unfolding an introspective evaluation in which consumers’ identities are challenged and shaped by the context and nature of their cultural exchanges, resulting in new identities that incorporate elements of the social worlds exposed (Askegaard *et al*., 2005).

Previous work emphasizes how some individuals, looking to manifest key features of their identities, may modify their consumption choices to be linked with certain groups or, conversely, to be disassociated from them (Deshpande *et al*., 1986; Berger and Heath, 2007). This is especially the case for late modern (or postmodern) capitalist societies, like the ones in which current waves of migrants have largely settled, where individualistic attitudes are more prevalent than the collectivistic type (Côté, 2006), and where material possessions are a key aspect of individuals’ interactions with society (Lerman and Maxwell, 2006). Moreover, the
extent to which an immigrant has acculturated as a consumer may define distinct preferences and attitudes toward particular marketing practices across immigrant groups (Penaloza and Gilly, 1999) and for certain goods (Ogden et al., 2004). The latter is particularly interesting when certain possessions, such as a home, in turn open the door to the consumption of other products or services.

Homeownership is one of the major purchase decisions consumers make during their lifetime due to the substantial commitment of financial resources. Historically characterized as an investment decision, homeownership is also considered a product choice that incorporates questions related to people’s positions in society and aspects of their personalities, such as preferences and aims in life (Foye et al., 2017; McCormack, 2014) and as a source of status or sense of belonging that generate feelings of independence, security, and accomplishment (Colic-Peisker and Johnson, 2010; Van Ham, 2012). It facilitates and encourages social integration through civil and political participation (Fischel, 2001) and consciousness for community issues (Dietz and Haurin, 2003). Moreover, home purchase decisions reflect cultural aspects and are an indicator of cultural identity (Sommerville, 1997). They are considered a reflection of individuals’ current and future selves, providing a foundation through which they build their identities (Cairney and Boyle, 2004; Lindblad and Quercia, 2015). Thus, the decision to own a home, in addition to the consideration of its features as an investment vehicle, requires reflecting on who we are and who we will become, both as individuals and as part of society.

Thus, the purpose of this study is to historicize the role of immigrant homeownership in consumer acculturation within Spain in an effort to understand housing tenure decisions among this population as a negotiation of their cultural identities. We do this by employing quantitative history (Anderson, 2007) approaches to triangulate with traditional historiographic methods.
doing so we not only provide evidence to support the consumer acculturation and consumer
identity perspectives of immigrant home purchases, but also advance the importance of the
contemporary empirical (i.e., quantitative history) approach to investigating historical
phenomena in general and a historical issue within the context of marketing in particular. Our
presentation of this research is divided into four sections. The first section addresses the
conceptual foundations of home ownership among immigrants. The second section sets the stage
for the research questions posed to guide the study. This is followed by a presentation of the
critical historical research method (HRM) employed and the results obtained from the traditional
historiographic and quantitative results to provide confirmation from all methods and data
sources. Finally, we discuss the results from both the contextual and historical perspectives in
order to explain immigrant home purchase decisions during the period 2000 - 2009.

Contextual development: Status and identity

Homeownership and immigration status

For immigrant consumers, the identity considerations involved in the decision to become
a homeowner are even more pronounced than for those individuals who are indigenous to a
country. After all, this decision implies committing a large portion of their savings, income, and
other resources to an asset tied to a specific location (i.e., it cannot be taken with them to another
country). Additionally, homeownership represents a psychological commitment to the culture of
the receiving society (Clark, 2003) and a sign of identification with its mainstream values (Alba
and Logan, 1992). It fosters immigrants’ exposure to the local habits and customs through the
interaction with other members of society (Fischel, 2001). The decision to own a home
represents a stepping stone in immigrants’ adaptation as consumers in the host culture and opens
the door to a new set of products, such as insurance, home improvement and maintenance
offerings, among others (Gonzalez-Fuentes and Iglesias-Fernandez, 2013). In other words, immigrant homeownership represents an outcome associated with an advanced degree of adaptation to the local consumer culture.

Previous studies have established the association between homeownership and acculturation. Following the seminal work of Alba and Logan (1992), Borjas (2002) and Myers et al. (2005) concluded in their studies that homeownership among immigrants is positively associated with competencies and characteristics typically found among acculturated consumers, such as English proficiency or length of residence. Other studies confirm the positive link between acculturation and likelihood to own a home for particular subcultures and other countries. For example, Davila, et al. (2003) present evidence for Hispanic immigrants in the United States whereas Lewin-Epstein and Semyonov (2000) demonstrate this association for immigrants in Israel.

Nonetheless, throughout the years, a number of studies (e.g., Kauppinen and Vilkama, 2016) have sounded the alarm regarding the sizable housing gaps between indigenes and some minority groups not accounted for by compositional differences (i.e., demographic and socioeconomic features, and language proficiency). Painter et al. (2004) called attention to the marked contrast in homeownership rates between immigrants and indigenes in the United States. Other studies reported similar situations in Canada (Haan, 2005), Israel (Lewin-Epstein and Semyonov, 2000), and Germany (Constant, et al., 2009; Sinning, 2006).

Chakrabarty et al. (2017) suggest that since owning a home involves various risks, risk preferences may have cultural components. Mundra and Oyelere (2017) argue that the emphasis on savings, as part of the attainment of homeownership, varies by cultures. Golding et al. (2018) provide evidence positioning limited English proficiency as a barrier to homeownership. Cohen
et al. (2009) and Drew (2014) find that behavioral and psychological factors, such as beliefs, are strong drivers of the decision to become a homeowner among immigrants, even after accounting for economic and socio-demographic indicators. Drew (2014) shows beliefs are even more important than some economic indicators.

This body of literature suggests not only that, for immigrants, homeownership represents more than an investment decision but also that homeownership gaps between different groups may reflect more than just differences in their compositions and residence locations.

**Immigration status and identity**

Social identities (e.g., ethnic heritage, being a professor) represent our “locations” in society, as defined by society’s structure and organization, are context-dependent, and comprise features connected to social roles or groups individuals are part of or aspire to join (Oyserman, 2009). According to Côté and Levine (2002), tangible resources are “visible”, or recognized, by society, and largely associated with the negotiation of social identities. These resources encompass not only group memberships and professional credentials, but also behavioral displays that society considers “passports” granting access to certain circles or institutions. They are largely attained when the individual interacts with society and its constituencies. Examples of tangible resources are personal and professional networks as well as behavioral displays involved in impression management tasks, such as language proficiency, personal behavior, and style of dress. Schwartz et al. (2010) assert that in order to understand acculturation we need to characterize it within the interactional setting in which it unfolds. Similarly, Luedicke (2011) highlights the role of social interaction in the construction of an immigrant’s identity project.

Khan et al. (2016) provided evidence linking social participation with heightened social identities. Fowler and Kam (2007) present similar findings for individuals’ political participation
Smetana, et al. (2006) find social interactions to be positively associated with developmental outcomes that enhance interpersonal skills. Ashforth and Mael (1989) asserted that interactions help individuals learn to ascribe social labels to others and to enact them in particular situations. Additionally, Pugh and Hart (1999) indicated that group participation helps individuals construct social identities with their peers. The collective findings of this research reveal that social participation builds the tangible resources that lead to earning the labels (e.g., membership to networks, reputation, credentials) as well as learning the behavioral displays (e.g., language skills, manner of dress) that function as “passports” to certain social spheres.

Thus, we posit that participation in groups and activities with other members of society provide immigrants with the tangible resources useful to negotiate and accrue social identities to advance in their consumer acculturation, and attain homeownership. Through social participation immigrants can build a network of contacts that provide them with access to useful housing market information, or even referrals. Belonging to groups in which they interact with indigenous consumers can help immigrants learn personal Behaviors associated with the local customs and habits. These local demeanors, in turn, may improve the immigrant’s status in the eyes of important gatekeepers of homeownership decisions, such as banks, realtors, or underwriters.

Personal identities (e.g., being personable, being “street-smart”) are an individual’s representation of personal beliefs and attitudes as in their character, personality, and behavior (Oyserman, 2009). In contrast to social identities, personal identities are individual and comprise features not associated with membership to any social roles or groups. Intangible resources, largely required to “buy” personal identities, equip people with strong psychological skills, such as critical thinking and self-efficacy, to understand and execute the “right stuff”, as judged by
society. Intangible resources develop reflexive capacities to know what sort of character or personality expressions are expected by others in order to gain access to some circles (Côté and Levine, 2002). These resources build the psychosocial strengths relevant in developing a subjectively consistent sense of the self throughout the adaptations accrued along the life span.

The vast literature on the psychology of acculturation has consistently highlighted the importance of experiencing different life-cycle stages while adapting to a new culture for the purpose of developing the cognitive skills to negotiate the hindrances and opportunities found in this process (Fawcett, 1985; Penaloza, 1989). Accordingly, Marin et al. (1987) and Noels et al. (1996) introduced the percentage of a person’s life spent in the host culture as a good way to capture the intensity of exposure to its norms and values. Over the years, a number of studies (De Leersnyder et al., 2011; Hsu, 2010; Sam et al., 2008) have suggested that this indicator is significantly associated with the development of strong psychological skills, such as the ones the identity capital model links to the accumulation of intangible resources. Greater levels of emotional well-being, self-esteem, communication self-confidence, and positive personality traits are reported as the proportion of an immigrant’s life exposed to the receiving culture increases.

Thus, we suggest that immigrants who have spent a greater share of their lives in the receiving society would have experienced more life-cycle milestones and transitions than those with shorter life exposures. A greater number of milestones help immigrants learn the receiving culture’s particular values, norms, and social roles to integrate them as part of their psychological wherewithal with which they build important cognitive skills (e.g., emotional, leadership, and conflict-resolution abilities). This, in turn, helps them develop a stronger and consistent sense of their personal selves in congruence with the changes in their cultural identities. We argue that the
accrual of intangible resources through an immigrant’s exposure to the receiving society’s life-cycle milestones positively influences homeownership, particularly in marketplaces, such as Spain, where this decision represents an important attainment in life.

In sum, if the attainment of homeownership among immigrants reflects the identity challenges of consumer acculturation as described by the identity capital model, then the accumulation of tangible and intangible resources should be positively associated with the likelihood to own a home. This implies that social participation and the percentage of an immigrant’s life spent in the host culture are expected to be positively associated with homeownership.

**The curious case of Spanish immigration (2000-2009)**

Spain is used as an empirical approximation of immigrant consumer acculturation on the basis of its intense growth in the flow of immigrants received in the ten years between 2000 and 2009, a substantially high homeownership rate compared to that of other developed countries, and a relative lack of institutional barriers to immigrant property ownership.

According to Spain’s National Statistics Office, the foreign-born population in Spain increased by almost 5 million people in the decade leading to 2009, up from 637,085 in 1998. The immigrant share of Spain’s total population grew from 1.6% to 12.1%, an increase of more than 10 percentage points during this period. In contrast, it took 47 years (1970-2017) for this share to increase from 4.7% to 13.6% in the United States, according to data from the U.S. Census Bureau and the Pew Research Center. People originating from South America (34.5%) and from formerly Socialist European countries (14.9%) composed approximately half of Spain’s immigration flow during that decade. Most of the literature on immigrant consumers has focused on the United State where, as noted, the immigration process has been gradual and at a
relatively moderate rate. With the advancements in transportation and communications technology over the past four decades, the movement of people and the way information spreads across the world has become easier and will likely accelerate in the next decade. Thus, there is a need to research cases where immigration flows have been intense and display an accelerated growth in a short time span. Spain represents a recent example of such cases.

In terms of housing tenure, Spain is predominantly a society of homeowners. According to the Organisation for Economic Cooperation and Development (OECD), 83.2% of Spanish households owned their homes (Andrews and Caldera-Sanchez, 2011), nearly 15 percentage points higher than the corresponding rate in the United States (68.7%) and twice as much as the rate for Germans (41%), during the period of study. This high rate of homeownership, and the comparative disparity with other industrially developed societies, is not a product of the most recent housing bubble since historical data shows this has been the case at least since the 1990s. However, these positive homeownership rates belie the plight of immigrants whose owner-occupancy rate was approximately 41% in Spain (half the rate of the indigenous population). In this sense, Spain during this decade represents an interesting canvas in which to explore homeownership among immigrants as an outcome of consumer acculturation. The high prevalence of homeownership as a housing choice among natives may seem to newcomers as an important goal, an inseparable trait from what integration in the Spanish consumer culture looks like, and even part of what the “Spanish dream” entails.

Finally, Spain embodies a case in which immigrant consumers faced little to no institutional barriers to property ownership. Institutional barriers range from legal regulations limiting or impeding immigrants to own property to complications in obtaining a competitive mortgage to complete the purchase of a dwelling. In terms of legal regulations, there were no
restrictions for foreigners to own property in Spain (Amuedo-Dorantes and Mundra, 2013).

During the period of the aforementioned intense immigration flow, Spanish banks’ mortgages had advantageous conditions, such as low interest rates, long maturity terms, low bank mortgage fees, and generous tax breaks (Cano-Fuentes et al., 2013). Moreover, these advantageous conditions were the same for foreign-born and native consumers, and the paperwork required by banks to secure a mortgage was very similar for both groups (Barbero, 2015). While immigrants may face other important barriers, such as discrimination and prejudice, the relative lack of institutional barriers to homeownership makes the Spanish case between 2000 and 2009 a unique opportunity to study this decision free of deterrents commonly found in other receiving societies.

**Methodology and data sources**

**Research approach**

The purpose of this research is to historicize the role of immigrant homeownership in consumer acculturation and identity formation within Spain in an effort to understand housing purchase decisions as the accumulation of both tangible and intangible resources. Therefore, we employ the critical ‘historical research method’ (critical HRM) to build on both quantitative and qualitative methods. The goal of opting for this approach is to (a) empirically assess and triangulate historical data sources, and (b) scrutinize dynamic marketing knowledge within a particular social context. Critical HRM comprises multiple objective methods that can help marketing history scholars “understand, evaluate, and interpret events, records, and thoughts” (Yan and Hyman 2018, p. 1). Specifically, it reinforces the value of examining data (ideas, people, and events), their context (history happens to people), and the interrelationships between that data and their context (history made by people) to generate more useful insights (Savitt 1980; Yan and Hyman 2018). As such, our method proceeds in three parts: (1) empirical HRM
examination of household-level data files; (2) interpretive HRM analysis of archived newspaper articles and advertisements; and (3) constructivist HRM analysis of key informant interviews from retail banks. The result is an analysis that, in conjunction with the identity capital model (Côté and Levine 2002), provided insight into the homeownership decision of immigrants in Spain during the housing and immigration boom of 2000 - 2009.

Sources of Data

Multiple sources of data were included to develop the most convincing explanation through an examination of both event-related backgrounds and social structures as espoused by critical HRM. The first set of data (Part 1) comes from the household-level microdata files of the 2007 National Survey of Immigrants carried out by Spain’s National Statistics Office (INE). This is a cross-sectional national survey designed to provide detailed data of the foreign-born population, at least 16 years of age, residing in Spain in 2007. The research instrument used by INE is a survey administered via personal interviews at the place of residence using electronic and “paper and pencil” questionnaires. The original database contains 15,465 valid observations collected by trained researchers between November 2006 and February 2007. This data source is unique in that it gathers comprehensive information regarding the living conditions and the immigration experiences of the foreign-born population in Spain that other sources, such as the census or household budget surveys, do not. In order to capture the decision to own a home in the receiving society appropriately, responses belonging to undocumented individuals are screened out since they lack the necessary credentials to own a home in Spain. In addition, observations from those immigrants retired from the labor force are also excluded from the sample. Spain is a very popular retirement destination given its warmer weather and lower cost of living. These immigrants mostly buy their homes along the coast of Spain using their lifetime
savings or after the sale of their primary home in their country of origin. Hence, their attainment of homeownership may not represent the outcome of an advanced level of consumer acculturation and the identity challenges that lead to it. In other words, their motivation to become homeowners in Spain is very different from those immigrants who arrive to Spain at a different stage of their lives. This screening process yielded a total of 9,811 useful observations.

The second set of data (Part 2) comes from digitized periodicals and advertisements. Digitized newspapers play an important role in facilitating marketing history research (Hawkins 2022) and can strengthen academic rigor through the inclusion of records of more people from “all walks of life” (p. 3) that would not have typically had their information stored (Hawkins and Neilson 2022; Milligan 2019). We selected 17 relevant articles from amongst the 500+ results found in LexisNexis and Google News Archive Search using keywords “Inmigrantes” (immigrants) and “Hipotecas” (mortgages) for the 2000-2009 time period. Inclusion criteria included specific references to the availability of mortgages for ethnic minorities and/or their subsequent uptake of these products. The unit of analysis was one newspaper. Two of the authors conducted independent parallel coding and negotiated agreement on development of the thematic categories. The same authors also identified a relevant sample of 4 mortgage advertisements from 20 Minutos, a free daily newspaper in Spain which is customized to local countries and cities in multiple languages, to provide contextual in situ support.

The third set of data (Part 3) comes from semi-structured interviews conducted with key in-country informants from the retail banking sector in areas of Spain with the highest concentration of immigrants between the years 2000 and 2009. The interviews were conducted in Spanish, recorded and transcribed, and a general thematic analysis was undertaken by the authors. This analysis involved identifying all discussions on the prespecified themes and other
themes raised by the interviewees. The analysis was followed by coding and categorizing
discussions into subthemes. A report on the findings of the interviews detailed by theme and
subthemes was provided to interviewees for comment, and some amendments were made based
on their feedback. Respondent #1 was director of private banking for Eurocaja Rural.
Respondent #2 was a manager at, and subsequently director of, a branch for Caja Rural de
Castilla La Mancha. Respondent #3 financed home purchases for Tecnocasa. All three
informants identify as male Spaniards which is representative of the demographics in this
industry during that period of time.

Analysis and findings

Empirical HRM: Type of empirical examination of household-level data files

The empirical analysis is conducted in two stages. First, we estimate a model of the
likelihood to own a home in which three sets of independent variables are introduced one at a
time. The purpose of doing this is to analyze the way compositional differences and the
accumulation of identity resources associated with acculturation combine to explain
homeownership among immigrants. Second, the estimated model in the first stage is used to
conduct a simulation exercise based on Coulson (1999). This exercise is aimed at showing the
significant role that identity resources play in explaining the homeownership gaps between
different immigrant groups.

Logistic regression is used to estimate the model in the first stage since the dependent
variable of interest is binary: individuals either own their homes or they do not. A stepwise
procedure is carried out in which sets of variables are included in the model one category at a
time. At each step, the predicted probability for every observation is stored to conduct the
simulation exercise in the second stage. We average these individual probabilities to simulate the
homeownership rates by immigrant group (and the corresponding gaps between each other) that would have existed if only the variables included in that step were the sole determinants considered. This exercise aims at illustrating to what extent the identity resources accrued during acculturation help to determine the distinct attainment of homeownership displayed by different groups of immigrants.

The results of the stepwise estimation of the model are presented in Table I. The first specification (Step 1) contains only the variables characterizing the compositional differences, represented by demographic and socioeconomic indicators. In Step 2, the indicators of social participation and Spanish proficiency are incorporated to account for tangible resources, which are associated with the development of social identities. Lastly, Step 3 includes all the variables in steps 1 and 2 and adds the proportion of the individual’s life spent in the receiving society along with two interaction terms as proxies for the development of intangible resources. These intangible resources are assumed to be behind the development of personal identities.

All statistically significant coefficient magnitudes and directions are consistent across all three estimations. No major changes in coefficients’ signs are observed and as expected, their effect sizes moderate when additional variables are incorporated into the model. As the third and final specification shows, age, income, and cohabitation are all positively correlated with the likelihood to own a home in the receiving society. Gender (being male) is found to be negatively correlated with the probability of homeownership. This could be reflecting the higher proportion of women, particularly among South American immigrants that predominated in the first waves of immigration flows in Spain (Vono-de-Vilhena and Bayona-Carrasco, 2012). As anticipated, immigrants that display a higher degree of participation in general social activities, municipal elections, and who exhibit a larger share of their lifetimes exposed to the receiving society, are
more likely to be homeowners. These results provide empirical support for the importance of social participation in explaining immigrant homeownership. In other words, this is a decision that reflects identity challenges typical of acculturation. Interestingly, Spanish proficiency and the indicator of social participation in activities delimited to the interaction with immigrants are not statistically significant. The same is true for the interaction variables between the share of life spent in Spain and the indicators of highest degree earned in Spain and Spanish-national spouse, respectively. It appears that most of the influence tangible resources possess in the attainment of homeownership, through the social identities they develop, happens through immigrants’ participation in municipal elections and their participation in general social activities. For the interaction variables, the results suggest immigrants accrue the intangible resources shaping their personal identities through their share of life spent in Spain, without significant differences resulting from cohabiting with a Spanish-national spouse or earning their highest degree there.

[Insert Table I here]

Subsequently, all three model specifications are used to conduct a simulation exercise to analyze the homeownership gaps between different immigrant groups, and the contribution of the various sets of drivers to explain these gaps. Three immigrant groups were chosen for this part of the analysis: those from countries belonging to the European Union in 2007 (EU-25), those from formerly Socialist economies in Europe (FSE), and those from countries in South America (SA). Table II summarizes the countries represented in the foreign-born population living in Spain in 2007 by each of the regional groups selected as focus of this analysis.

[Insert Table II here]

Immigrants from countries in the EU-25 display the highest homeownership rate of all foreign-born individuals (roughly 66%) and represent the most appropriate benchmark group to


compare with other immigrants for a number of reasons. First, this group’s countries display a
great deal of convergence among each other in several aspects, such as demographic, economic,
technological, and political, due to the European Union’s accession criteria. Thus, consumers
from this group represent a close proxy to the mainstream culture (i.e., those born in Spain) in
terms of the socioeconomic context in which their identities were nurtured. Second, the
circumstances under which their housing tenure decisions were made are more consistent with
those of other immigrants than the ones experienced by the native group. Their homeownership
decisions in Spain were made from the perspective of an outsider, or someone for whom Spain
represents the receiving culture, and thus more accurately resemble the conditions under which
other immigrant consumers made theirs.

Immigrants originating from South American countries represent almost 35% of the
demographic flow received by Spain between 2000 and 2009, with those from formerly Socialist
economies standing in second place with a 15% representation. In addition to their relative
importance within Spain’s foreign-born population during the historical period of study, these
two regions represent cultures located in opposite ends of Hofstede’s time orientation (Hofstede,
2011). Societies from Central and Eastern Europe are considered to possess a long-term
orientation while those from Latin America are associated with a short-term focus. Frequently
used as a proxy for a society’s attitudes towards the future, long-term orientations denote the
promotion of values in alignment with future rewards, considering thrift and perseverance as
important goals in life. In contrast, short-term orientations focus more on the past and the present
and foster social spending and consumption (Hofstede and Hofstede, 2005). Homeownership is a
decision involving short-term and long-term considerations of consumers’ personal,
psychological, and socioeconomic conditions. Hence, comparing the way identity resources
combine to attain homeownership for these two groups of immigrants allows us to examine how different time orientations may have defined distinct identity challenges in their acculturation to Spain.

Table III presents the results of this exercise. The estimated model at each of the three steps in Table I is used to calculate the predicted probabilities of being a homeowner for every observation. Averages of these individual probabilities are then calculated for each group of immigrants. In doing this, the entire distribution of values for the independent variables is used in the estimation of probabilities, as opposed to simply relying on the groups’ average values for these variables. Accordingly, each group’s average predicted probability represents the homeownership rate that this group would have displayed in 2007 if only the set of independent variables included in that particular model were the relevant drivers of this decision. Consequently, the estimated differences in homeownership rates would reveal the size of the gaps in the same what-if scenario. Since homeownership is considered a milestone of consumer acculturation, then the comparison of gaps across models would show the relative contribution of tangible and intangible resources in the achievement of this outcome.

The first row of Table III displays the observed rates for the three immigrant groups and the gaps between them, as reported by the raw data in 2007. Similarly, the subsequent rows exhibit the estimated homeownership rates and the implied gaps for each of the three estimated models.

[Insert Table III here]

If only demographic and socioeconomic indicators are considered (Model 1), the gaps between EU-25 immigrants and those from formerly Socialist countries (FSE) and South America (SA) would have been 6.26 and 6.60 percentage points, respectively. This suggests
compositional differences are able to explain in between 14.9% (EU-25 vs. FSE) and 19.6% (EU-25 vs. SA) of the homeownership gaps between the benchmark group and the other two collectives. Notice Model 1’s simulation shows immigrants from SA and from FSE with practically the same rate, and that these rates are higher than those observed in the raw data for both groups. In other words, if only demographic and socioeconomic factors were considered, these groups would have shown no homeownership gaps between them, as well as higher rates than those observed in reality. Thus, the actual gaps reflect more than just compositional differences between these groups.

However, when tangible resources are accounted for, approximately half (46.6% for EU-25 vs. SA and 49.6% for EU-25 vs. FSE) of the gaps are explained (Model 2). This emphasizes the role that these resources played in the development of social identities conducive to homeownership. In particular, Model 2’s simulation seems to portray the acquisition of social “passports” through network building, social engagement, and civic participation as a highly influential force behind the explanation of homeownership gaps during the historical period under analysis. In addition, controlling for these resources helps differentiate the rates between SA and FSE immigrants. Concretely, while compositional differences predicted the same homeownership rate for both groups, tangible resources help predict 60% (slightly more than 5 percentage points) of the observed gap between them. In other words, tangible resources help explain why SA immigrants displayed higher homeownership rates than those from FSE.

The explanatory power of intangible resources is still substantial, although more modest than the previous set. The inclusion of the proportion of a person’s life spent in Spain along with the two interaction variables (Model 3) adds 8.1 percentage points to the explanation of the EU-25 vs. SA gap, and 8.2 points to the EU-25 vs. FSE gap. Their relative contribution to explaining
these gaps display virtually the same magnitude. In total, the complete model explains roughly 70 percent of the homeownership gaps between the benchmark and the other two immigrant groups. This places the individual role of intangible resources, as builders of personal identities, in the determination of homeownership gaps on par with the demographic and socioeconomic factors. In the case of the gap between South American immigrants and those from formerly Socialist cultures, Model 3 achieves to explain roughly 63 percent of the disparity.

Confidence intervals are calculated for the estimated gaps at every step of the simulation exercise. Table IV below exhibits the lower and upper limits for each gap separately for each model.

[Insert Table IV here]

All estimated homeownership gaps are significantly different from zero except, as expected, for the estimated gap between SA and FSE immigrants in Model 1. These results confirm that each model successfully estimates statistically significant homeownership gaps among the groups considered. Furthermore, there exists no overlap in the confidence intervals of steps 2 and 3 for the estimated gaps, indicating that each set of resources (tangible and intangible) display significant contributions in the explanation of these gaps. Thus, the evidence confirms that homeownership gaps reflect the accumulation of tangible and intangible identity resources.

Nonetheless, the relative importance of tangible and intangible resources in explaining the existing gaps presents particularities across the groups that merit attention. This is especially noticeable when the progression of the estimated gap across models between SA and FSE immigrants is examined. As more controls are added, the average predicted rate for FSE immigrants experiences considerable changes. For SA immigrants these rates barely change,
especially in between Models 1 and 2, when the indicators of Spanish proficiency and social participation are incorporated. Only Model 3, with the addition of the share of life spent in Spain and the two interaction indicators, elicits a noticeable adjustment in this group’s estimated rates that gets them closer to the observed rate. For FSE immigrants, tangible resources seem to have more importance than intangible resources. For EU-25 immigrants, tangible resources display a substantially larger impact on their estimated rates than the one exhibited by intangible resources.

Table V formalizes these observations by presenting confidence intervals for the differences in the estimated homeownership rates between model specifications for each of the three groups. In the case of EU-25 immigrants, both tangible and intangible resources display changes in their estimated homeownership rates significantly different from zero. Since there is overlap between the two intervals the results highlight that tangible resources may have been as equally important to the attainment of homeownership than intangible resources for this group.

[Insert Table V here]

For FSE immigrants, only the confidence interval for tangible resources is significantly different from zero, indicating intangible resources may not have been relevant in their attainment of homeownership, and hence, in their consumer acculturation. Finally, for the SA group only the intangible resources are statistically significant contributors to this outcome. Taken all together, these results suggest homeownership gaps reflected distinct consumer identity challenges and negotiations for different immigrant groups, highlighting the distinct ways in which personal and social identities shape immigrants’ cultural identities.

Interpretive HRM: Content analysis of digitized historical periodicals and advertisements
We classified the content of articles as follows: easy access for immigrants to financial products and services (35.3%); availability of options for immigrants to finance the purchase of a home (64.7%); active and deliberate marketing to immigrants by financial institutions (47.1%); evidence of aggressive tactics with negative consequences (35.3%); importance of the immigrant market in the Spanish marketplace (53.0%); and social and economic context encouraging homeownership (17.6%). See Table VI for a complete list of the source articles and coded results. Below we summarize the findings from the review of articles from the period under study.

*Easy access for immigrants to financial products and services.* Retail banks in Spain adapted and extended their suite of services to become a one-stop shop for immigrants (i.e., foreign remittances, savings and checking accounts, personal loans, credit cards and mortgages). This enhancement of products also incorporated non-banking services such as long-distance calls, Internet access, airline tickets, job boards, and legal assistance.

*Availability of options for immigrants to finance the purchase of a home.* Retail banks softened lending terms and conditions to facilitate the ability of specific immigrant groups to get a home loan (e.g., financing up to 100% or more of the sale price). Three or more signatories on bank loans to purchase a home increased dramatically during the early 2000s; the majority of mortgages with two or more signers were for immigrant consumers.

*Active and deliberate marketing to immigrants by financial institutions.* New branches were opened in both urban and rural areas with high immigrant populations. Flat fee banking services targeting immigrants were pioneered in the market by Banesto bank and subsequently emulated by La Caixa bank in the early 2000s. Intentional efforts were also made to hire foreign-born
personnel and extend business operating hours to include nights, weekends and holidays in an
effort to cater to the needs of the immigrant segment.

Evidence of aggressive tactics with negative consequences. Economists expressed concern that
the expansion of mortgages to high-risk borrowers by Spanish banks, coupled with rising
housing prices, could lead to a financial crisis. Favorable exchange rates were even offered to
promote the purchase of a home in an immigrant’s country of origin (i.e., Ecuador, Colombia,
Romania, Morocco, Dominican Republic, Peru, Senegal, and Bolivia). Mortgage paperwork was
often expedited before any red flags were identified by regulatory bodies which resulted in
borrowers with below average income often being approved as guarantors for multiple
borrowers.

Importance of the immigrant market in the Spanish marketplace. Immigrants represented a
segment of consumers primed for significant growth given their previously low levels of banking
usage relative to Spanish-born residents. BBVA bank explicitly reinforced the importance of
foreign-born clientele as well as their intent to increase customers in this segment by 50% during
fiscal year 2006 alone.

Social and economic context encouraging homeownership. A culture of homeownership was
already woven into the social fabric of Spain by the time of unprecedented immigration during
the early 2000s. The foreign-born population was imbued with this source of security and
identity; albeit spurred by retail banks who pushed ‘easy money’ onto potential home buyers
while simultaneously taking investment positions in real estate.

These classifications are supplemented by archived newspaper advertisements (see
Figure 1) and photographs of billboards (see Figure 2) that further highlight the access to
funding, availability of specialized products, and importance of immigrant consumers to retail
banks in Spain. The findings converge with our empirical examination to validate an economic
and social context in which immigrant groups were intentionally acculturated to value
homeownership.

[Insert Table VI here]

[Insert Figures 1 and 2 about here]

**Constructivist HRM: Key informant interviews from commercial lending in Spain**

Three main themes around the notion of facilitators for immigrant homeownership were
identified from the informant interviews: (1) Inclusion and accessibility; (2) Strategic target
marketing; and (3) Social integration (see Supplementary Material for the list of interviewer
questions). These three themes are discussed further below.

**1) Inclusion and accessibility.** Immigrants typically face a range of systematic barriers that
impede access to fair and affordable financial services and products. Our informants described a
more level playing field in Spain when compared to other European nations.

“In Spain, at that time, immigrants had jobs mainly in the construction sectors, direct or
indirect. And they were well paid, that is, an immigrant did not earn less than a non-
immigrant. They had the same job as a nonimmigrant and could access housing exactly
the same as a nonimmigrant.” (Informant #1)

**2) Strategic target marketing.** All informants either explicitly stated or insinuated that the
majority of mortgages they made during the early 2000s went to immigrants. Specific segments
(e.g., Romanians, Ecuadorians, Colombians, Bolivians, Ukrainians) were developed and
subsequently targeted with specialized products and services.

“Sectors were established within the cities and within those sectors there were
salespeople who spent the morning visiting apartment blocks and visiting immigrant
clients. And while they were paying these visits, they’d say “would you be interested in
selling this apartment and buying a better one? Well, we finance you, we do everything
for you.” And more customers would come out.” (Informant #3)

“There was specialization into immigrant-specific products, for example, it is very
common for an immigrant to transfer funds to their countries of origin. The father or the
mother came first, then the children came, but meanwhile here they earned money, they
could save, and they sent money to their family. And of course, those types of services
that did not exist before, they were developed rapidly to bank the immigrants.”

(Informant #1)

This process included geographic segmentation that began in densely populated cities and
quickly expanded into rural areas where resources and social services were previously limited.

“Not all immigration went to the big cities, it also went to the small towns. Agricultural
and livestock activities also generated many jobs for immigrants. So, if the bank wanted
more clients, it had to go to that segment and well, it works very well for the owner of a
cattle farm, for example, to be a client of the bank and the manager of the branch to do
him the favor so that each time he hires someone the bank would make them a client of
the branch.” (Informant #1)

(3) Social integration. The theme of social integration implies that immigrants no longer see
themselves as ‘outsiders’ and work cooperatively with market institutions in the same way as the
native population. This trust works in both directions.

“Here in Spain, it is very common that when you are effectively rooted in a society, the
person who grants you the mortgage knows your family. It is very common for someone
in the family to vouch for you. In the case of immigrants, it was not like that. An
immigrant came alone, he had no one to endorse him. So, what was developed, at least in my bank, was a new mortgage model in which there were no guarantors, in which only the immigrant's own guarantee or a collective group of immigrant guarantors was accepted.” (Informant #1)

“What happens is that the ‘call effect’ was important. For example, in the Romanian community, “hey, look, go to a bank that gives you so much or go to this because you’re going to get it.” It was something between them, through solidarity, through collaboration itself, let’s say, they informed each other where they had to go...because they go to their churches or wherever they meet and talk to each other.” (Informant #2)

However, one informant also acknowledged that perhaps the lending criteria were lax and wrongdoings occurred because immigrants did not see themselves losing their jobs or interest rates increasing over time.

The interview content corroborates the availability of mortgages for, and marketing activities geared toward, immigrant populations in Spain during the early 2000s. Perhaps, most importantly, the perspective of lenders sheds new light on the aspect of social integration and its importance, coupled with the empirical examination, for identity formation through homeownership. As with the newspaper articles and advertisements, these interviews converge with our empirical findings.

Discussion

Our empirical HRM results reveal interesting dynamics in the development of personal and social identities through the accrual of tangible and intangible resources. Schwartz et al. (2010) and Côté (2006) assert that the challenges immigrants face during acculturation are anchored in the development of personal and social identities, and that the development of
personal identities indirectly builds and strengthens social identities, with both ultimately shaping immigrants’ cultural identities. Thus, the acquisition of intangible resources develops personal identities, which in turn contribute to reinforce and moderate the effect of tangible resources on social identities.

In this sense, homeownership, as a reflection of immigrants’ adaptation in Spain, is portrayed by our results as involving developments at both levels of consumer identities: personal and social. This supports the perspective of acculturation both as a social and an individual phenomenon involving cognitive, behavioral, and affective processes (Cuellar, et al., 1995). More than a simple choice of social identification, our results reveal homeownership as an acculturation outcome driven by immigrants’ personal and social investments in the resources that lead to the shaping of cultural identities.

The simulation exercise confirms this assertion. Firstly, tangible resources are revealed as the leading force behind the explanation of homeownership gaps, highlighting how powerful socialization is for immigrants’ consumer acculturation. Secondly, intangible resources also emerge as a powerful independent force, underscoring the role that immigrants’ efforts to solidify their personal identities play in their adaptation to a new culture. It calls attention to the importance of psychological processes such as the formation of personal values, aspirations and self-worth, in the path towards consumer acculturation.

These findings also support the existence of common underlying psychological processes during the adaptation to a new culture, providing evidence for the view of acculturation as a phenomenon shared by immigrants at the individual level (Berry, 1997; Rudmin, 2010). Such a balanced process of acculturation (i.e., at both personal and social levels) can almost exclusively be facilitated in an inclusive environment in which immigrants face few-to-no barriers to their
integration. Our interpretive and constructivist HRM analyses provide evidence in that regard.

Three of the themes identified in the analysis of digitized historical resources chronicle a narrative of easy access to and availability of financial resources coupled with intentional tactics, like hiring foreign-born personnel, that leveled the playing field for immigrant consumers.

Explicit comments from our informant interviews in two of the three main themes log a socioeconomic context marked by bidirectional cooperation and trust with market institutions, and where immigrants enjoyed similar job opportunities to indigenes.

However, our empirical results also identify distinct ways in which immigrant consumers from different cultural backgrounds construct their new cultural identities, and these results are confirmed, and broadened, by our interpretive and constructivist HRM analyses.

For immigrants originating from formerly Socialist consumer cultures, with a long-term orientation, most of their homeownership gaps are largely explained by their low participation rates in society. Tangible resources seem to be more influential in homeownership than for those immigrants from short-term oriented consumer cultures (South Americans). The shaping of their cultural identities through the accrual of resources that develop social identities seems to bear more fruit in achieving consumer acculturation than for their more short-term oriented counterparts. This feature is confirmed by our findings in the constructivist HRM analysis, evidenced by Informant #2’s experiences with the Romanian community (see Social Integration theme).

In the case of South American immigrants, the psychological resources molding their personal identities were more important in promoting homeownership than the more tangible type. This result suggests that, for short-term oriented immigrants, intangible resources, and hence the development of personal identities, were more influential in promoting cultural
identities aligned with an advanced level of consumer acculturation through homeownership.

Our content analysis of periodicals and informant interviews provides us with a “back story” for these findings. The digitized historical records document marketing strategies pursued by major banks targeting both urban and rural areas with high immigrant populations and segmenting these strategies by different countries of origin and their idiosyncrasies. Evidence of the latter is illustrated in the sample of advertisements in Figures 1 and 2, tailored to specific immigrant populations. Our informants complete this picture by contextualizing these targeting efforts by location and approach to client acquisition (see Strategic Target Marketing theme).

“History is not the past but a map of the past, drawn from a particular point of view, to be useful to the modern traveler,” said history scholar Henry Glassie (Axtel, 1987), inviting us to reflect upon lessons learned from historical inquiries such as in this study. For policy makers interested in promoting integration of immigrants, the encouragement of participation in groups or activities leading to interactions with the larger society may prove highly effective in providing the resources to build personal networks and social attachments to the receiving culture. Particularly, efforts to involve immigrants in the electoral processes, such as voting, providing information about campaigns, or registering voters, may help immigrants earn the tangible resources to develop social ties that encourage homeownership. However, policy makers should be mindful of immigrants originating from societies with different time orientations. Those from consumer cultures with a short-term orientation may need programs aimed at promoting perseverance and frugality as virtues to attain homeownership and to become more integrated in the marketplace.

Conclusion
In this study our key objective was to historicize homeownership decisions among immigrants in Spain as a milestone of their consumer acculturation during the housing and immigration boom at the turn of this century. We used the identity capital model, which sees individuals’ identity development as the combination of tangible and intangible investments on who they are, to characterize this acculturation as a negotiation of cultural identities in flux. The Spanish case was chosen based on this country’s intense immigrant flow between 2000 and 2009, a substantially high homeownership rate relative to that of other developed countries, and a context with a relative dearth of institutional barriers to homeownership. We employed critical HRM to build on quantitative and qualitative approaches to do this, triangulating a quantitative history approach with content analysis of digitized historical records and in-depth interviews. Our study contributes to the literature by showing the attainment of homeownership manifests the investments immigrants make in tangible and intangible resources to develop their identities as part of their consumer acculturation process. More particularly, the accumulation of resources through their exposure to the host culture at various life-cycle stages as well as through social and civic participation is positively associated with homeownership. Nevertheless, distinct identity negotiation strategies were identified for different immigrant groups with important implications.

The results of the study also demonstrate the utility of HRM in bringing multiple methods together to confirm historical phenomena in the field of marketing. In our study we utilized both evidence from newspaper articles/advertisements and informant interviews to triangulate the empirical findings. Thus, an important contribution of the current study is the advancement of the quantitative history approach (Anderson, 2007) in historical marketing research.
References


Figure 1. Sample retail banking newspaper advertisements targeting immigrant consumers in Spain during the early 2000s.

a. Ad from GEINSA, a financial intermediary, offering funding for “Hipotecas a Extranjeros” (mortgages to foreigners/immigrants) in 2005 and 2006.

b. Ad from RioCredit, a financial intermediary, offering funds to consolidate debts and other services for “Hipotecas Extranjeros” (mortgages to foreigners/immigrants) in 2006.

c. Ad from La Caixa promoting banking products to immigrants including “ponemos a tu disposición tarjetas de crédito, hipotecas…” (credit cards and mortgages) in 2005.

d. Ad from BBVA promoting international transfer services to immigrants through their Cuentas Claras Internacional, a package of services “all-inclusive”, including money transfer, credit card, repatriation insurance and legal advice (2005).
Figure 2. Sample photographs of billboards targeting immigrant consumers in Spain during the early 2000s.

[Left] Photograph of Chinese immigrant in Spain with a billboard in the background promoting mortgages in both Spanish and Mandarin during the early 2000s. Chinese residents took out the highest mortgages on average compared to other immigrant and native populations (El Periódico de Aragón, 2007).

[Right] Photograph of billboard in Spain promoting mortgages with Eastern European appeals (Russian dolls). Delinquency ratio of loans granted to immigrants began to skyrocket by 2009 despite their demonstrated ability to work, propensity to save, and high rate of female employment (Idealista.com, 2009).
Table I. Stepwise logistic regressions: Probability of owning a home.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Step 1 BETA</th>
<th>Step 1 OR</th>
<th>Step 2 BETA</th>
<th>Step 2 OR</th>
<th>Step 3 BETA</th>
<th>Step 3 OR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intercept</td>
<td>-2.659*</td>
<td>0.070*</td>
<td>-2.328*</td>
<td>0.098*</td>
<td>-3.347*</td>
<td>0.035*</td>
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<tr>
<td><strong>Compositional Factors (Demographic/Socioeconomic factors)</strong></td>
<td></td>
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<tr>
<td>Medium level of Income</td>
<td>0.740*</td>
<td>2.095*</td>
<td>0.541*</td>
<td>1.718*</td>
<td>0.486*</td>
<td>1.626*</td>
</tr>
<tr>
<td>High level of Income</td>
<td>1.278*</td>
<td>3.589*</td>
<td>0.976*</td>
<td>2.654*</td>
<td>0.999*</td>
<td>2.716*</td>
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<tr>
<td>Male</td>
<td>-0.542*</td>
<td>0.582*</td>
<td>-0.401*</td>
<td>0.670*</td>
<td>-0.406*</td>
<td>0.666*</td>
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<tr>
<td>Cohabitation w/ spouse</td>
<td>1.000*</td>
<td>2.718*</td>
<td>0.924*</td>
<td>2.520*</td>
<td>0.887*</td>
<td>2.429*</td>
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<td>Age</td>
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<td>Spanish proficiency</td>
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<td>Social Participation (General)</td>
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<tr>
<td>Social Participation (Immigrant-exclusive)</td>
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<tr>
<td>Participation in municipal elections</td>
<td>1.794*</td>
<td>6.014*</td>
<td>0.695*</td>
<td>2.005*</td>
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<tr>
<td><strong>Intangible Resources (Exposure to host culture)</strong></td>
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<tr>
<td>Proportion of Life Spent in Receiving Society</td>
<td>4.369*</td>
<td>78.938*</td>
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<tr>
<td>Life Spent*Spanish Degree</td>
<td>-0.294</td>
<td>0.745</td>
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<td>Life Spent*Spanish Spouse</td>
<td>-0.673</td>
<td>0.510</td>
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<tr>
<td># of observations</td>
<td>9,811</td>
<td>9,635</td>
<td>9,506</td>
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<tr>
<td>% correct classification</td>
<td>67.6%</td>
<td>71.7%</td>
<td>74.5%</td>
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<tr>
<td>Nagelkerke’s $R^2$</td>
<td>0.185</td>
<td>0.275</td>
<td>0.354</td>
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</table>

* p<0.05; OR: Odds Ratio

Table II. Country distribution by region of origin.

<table>
<thead>
<tr>
<th>European Union (EU-25)</th>
<th>Formerly Socialist (FSE)</th>
<th>South America (SA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria</td>
<td>Germany</td>
<td>Malta</td>
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<tr>
<td>Belgium</td>
<td>Greece</td>
<td>Netherlands</td>
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<tr>
<td>Cyprus</td>
<td>Hungary</td>
<td>Norway</td>
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<td>U. Kingdom</td>
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<td>Ukraine</td>
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<td></td>
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<td>Ecuador</td>
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Table III. Simulation of homeownership gaps.

<table>
<thead>
<tr>
<th></th>
<th>EU-25</th>
<th>FSE</th>
<th>SA</th>
<th>Gap EU-25 vs. FSE</th>
<th>Gap EU-25 vs. SA</th>
<th>Gap SA vs. FSE</th>
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</thead>
<tbody>
<tr>
<td>Model 1</td>
<td>41.48%</td>
<td>35.22%</td>
<td>34.88%</td>
<td>6.26 p.p.</td>
<td>6.60 p.p.</td>
<td>-0.34 p.p.</td>
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</tbody>
</table>

p.p.: percentage points

Table IV. Confidence intervals (95%) for estimated homeownership gaps across models.

<table>
<thead>
<tr>
<th></th>
<th>Model 1</th>
<th>Model 2</th>
<th>Model 3</th>
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</table>

p.p.: percentage points

Table V. Confidence intervals (95%) for changes in homeownership rates across models.

<table>
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<th>Difference Model 2 – Model 1</th>
<th>Difference Model 3 – Model 2</th>
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p.p.: percentage points
Table VI. Source articles and coded results.

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<th>Title</th>
<th>Source</th>
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<th>Highlights</th>
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<tr>
<td>BBVA launches an ambitious commercial offensive to attract immigrants</td>
<td>Cinco Dias</td>
<td>March 9, 2005</td>
<td>BBVA’s plans to target immigrants by adapting their subsidiary Dinero</td>
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<td>Express to operate as a multiservice shop.</td>
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<td>BBVA offers Peruvian immigrants to finance their home in Peru with</td>
<td>EuropaPress</td>
<td>May 27, 2005</td>
<td>BBVA’s initiative, through their subsidiary Dinero Express, offering</td>
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<td>remittances from Spain</td>
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<td>loans to Peruvian immigrants to finance the purchase of a home in Peru.</td>
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<td>BBVA expects to increase its immigrant clients by 50% in one year</td>
<td>Cinco Dias</td>
<td>November 15, 2005</td>
<td>BBVA’s expansion plans among the immigrant community, with the</td>
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<td>objective of increasing in 50% their number of clients in this segment</td>
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<td>and finish 2006 with 600,000.</td>
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<td>The cost of flats forces immigrants to share mortgages among</td>
<td>El Mundo</td>
<td>April 12, 2006</td>
<td>Results from a study which had a sample of 7,000 mortgage loans</td>
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<td>four people</td>
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<td>signed between July and December of 2005.</td>
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<td>Banco Popular will promote its subsidiary for immigrants with the</td>
<td>Cinco Dias</td>
<td>October 6, 2006</td>
<td>Banco Popular’s expansion plans for its branch specialized in</td>
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<td>opening of 25 offices</td>
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<td>immigrants, Mundocredit, opened in the spring of 2006.</td>
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<td>Foreigners buy 30% of second-hand houses</td>
<td>El País</td>
<td>February 19, 2007</td>
<td>Results from a study highlighting the increasing importance of the</td>
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<td>immigrant population in the housing market in Spain and their appeal</td>
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<td>to financial and real-estate intermediaries.</td>
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<td>BBVA becomes a large remittance company</td>
<td>Cinco Dias</td>
<td>March 22, 2007</td>
<td>How one of the major Spanish banks, BBVA, has become one of the</td>
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<td>largest players in the race for winning the immigrant market.</td>
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<td>Immigrants should be on guard against offers from banks and</td>
<td>La Economia de los</td>
<td>May – June 2007</td>
<td>Showcases the active way in which banks targeted immigrants with</td>
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<td>savings banks</td>
<td>Consumidores</td>
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<td>examples of financial products offered by major banks.</td>
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<td>Spanish banks have granted high-risk mortgages and may suffer the</td>
<td>EIEconomista.es</td>
<td>March 12, 2008</td>
<td>Identifies several practices among Spanish banks to argue that Spain</td>
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<td>consequences</td>
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<td>may be closer than popular belief to the subprime crisis in the USA at</td>
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<td>the time of publication (early 2008).</td>
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<td>Banks finance homes abroad with personal loans</td>
<td>Cinco Dias</td>
<td>August 30, 2008</td>
<td>Another clear example of how banks targeted immigrants with a</td>
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<td>variety of products, such as personal loans to purchase a home in their</td>
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<td>countries of origin.</td>
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<td>Some immigrants in Spain leave debts and leave</td>
<td>Reuters</td>
<td>October 11, 2008</td>
<td>Describes as “energetic courtship” how banks catered to immigrants</td>
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<td>during the housing boom, in contrast with the situation in 2008 when</td>
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<td>some immigrants are returning back to their birth countries.</td>
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<td>The purchase of homes by foreigners falls 74% in two years</td>
<td>La Voz de Cádiz</td>
<td>January 12, 2009</td>
<td>Presents stats about house purchases by foreigners in Spain and</td>
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<td>describes the housing boom as a time in which banks handed out</td>
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<td>mortgage loans “hand over fist” among foreigners.</td>
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<td>Who said that in Spain there was no subprime? The delinquency of</td>
<td>Idealista.com</td>
<td>May 6, 2009</td>
<td>The delinquency rate in mortgage loans among foreigners in Spain (12.5%)</td>
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<td>immigrants at 12.5%</td>
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<td>contrasts with the rate of those born in Spain (1.7%).</td>
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<td>Crossed mortgages, a legal fraud that has sunk many immigrants</td>
<td>Urbanismo.com</td>
<td>May 3, 2009</td>
<td>Describes the practice of “crossed mortgages”, highlighting how speed</td>
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<td>was of the essence in this practice in order to evade the scrutiny and</td>
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<td>controls of the regulatory bodies like the Bank of Spain.</td>
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<td>Spain: Immigrants and the mortgage trap</td>
<td>BBC News M undo</td>
<td>March 5, 2012</td>
<td>Follows the story of an immigrant victim of aggressive tactics by</td>
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<td>financial intermediaries and the negative consequences after the</td>
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<td>collapse of the housing market.</td>
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<td>Immigration and evictions: Another symbol of the housing bubble and</td>
<td>EIEconomista.es</td>
<td>March 26, 2012</td>
<td>Recounts the conditions during the housing boom leading to the</td>
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<td>its burst</td>
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<td>collapse of the market and the negative consequences of that era of</td>
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<td>easy money and aggressive tactics.</td>
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<td>Individuals affected by the alleged fraud of the Central Hipotecaria</td>
<td>Europapress</td>
<td>April 26, 2012</td>
<td>Reports on the new wave of accusations added to the collective lawsuit</td>
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<td>del Inmigrante add 10 new complaints in the case</td>
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<td>against a mortgage intermediary for a massive scam involving the</td>
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<td>practice of “crossed guarantees” in mortgage applications by</td>
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<td>immigrants in Spain.</td>
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Classification Key: C1 = Easy access for immigrants to financial products and services (in general); C2 = Availability of options for immigrants to finance the purchase of a home; C3 = Active and deliberate marketing to immigrants by financial institutions; C4 = Evidence of aggressive tactics with negative consequences; C5 = Importance of the immigrant market in the Spanish marketplace; C6 = Social and economic context encouraging homeownership.
Appendix A. Structured interview questions for key informants (English and Spanish).

[Interviewer] Spain underwent a “mortgage revolution” during the early 2000s. [Durante la década de 2000-2010, el mercado de las hipotecas en España experimentó grandes cambios y crecimiento...]

- What do you remember about that period of time at your consumer (retail) bank? [¿Qué recuerdas de este período de tiempo desde la perspectiva del banco para el que trabajabas?]
- What were the major macro (outside your company) factors that drove the rapid increase in mortgages? [¿Cuáles fueron las principales fuerzas o factores a nivel macro que fomentaron el rápido crecimiento de las hipotecas?]
- Were the major micro (inside your company) factors that drove the rapid increase in mortgages? [¿Cuáles fueron las principales fuerzas o factores a nivel micro que fomentaron el rápido crecimiento de las hipotecas?]
- What specific target markets (e.g., groups and/or communities of people) did your bank focus on? [En materia de hipotecas, ¿a cuáles segmentos de mercado (consumidores) se enfocaron los esfuerzos comerciales del banco para el que trabajabas en esa época?]

[Interviewer] During the “mortgage revolution,” it was easier for immigrants to buy a house than to rent. [Durante este periodo de rápido crecimiento en las hipotecas, algunos datos apuntan a que para los inmigrantes era más barato comprar una casa que rentar...]

- What specific immigrant groups and/or communities did your consumer (retail) bank market to? [¿A qué grupos de inmigrantes o comunidades se enfocaron los esfuerzos comerciales del banco para el que trabajabas?]
- How did your consumer (retail) bank reach these groups and/or communities in the marketplace? [¿De qué forma(s) el banco para el que trabajabas en esa época intentó captar al colectivo inmigrante?]
- Were specific mortgage products developed and/or customized to attract these groups and/or communities? [¿Se desarrollaron o personalizaron productos hipotecarios específicos dirigidos al colectivo inmigrante?]
- What were the specific features, attributes and/or benefits of these specific mortgage products that were advertised to these groups and/or communities? [¿Cuáles eran las características o beneficios de estos productos hipotecarios para este colectivo?]
- Can you describe any of the ads that were used (images, words, offers, etc.)? [¿Podrías describir alguno(s) de los materiales publicitarios utilizados para promocionar estos productos entre el colectivo inmigrante?]
- Where were these ads placed (e.g., newspapers, radio, television, etc.)? [¿Dónde se publicaron o distribuyeron estos materiales publicitarios?]