

# An Overview of Residential Flat Promoted by Private Builders

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## Abstract

In India, real estate industry has prominent in the economy to increase business opportunity and labor migration. The real estate sector in the driving force behind the growth of Indian economy. This study analyzes the customer perception of buying residential apartments which Includes factors that influence the buyers. Finally, it is to revise the various problems faced by the customers and their satisfaction level towards the promoters. This study gives the small a description about promoter's quality service providing more satisfaction to buyers of residential flat.

**Keywords:** Real estate, Residential apartments, Promoters, etc....

## INTRODUCTION

In India, real estate industry has greater eminent with liberation of the economy as consequent increase in business opportunities and labor migration led to rising demand for commercial and housing space. In today's scenario a change in sectors growth and real estate industry's dynamics reflect consumer's expectation with higher quality. The real estate sector is the driving force behind the growth of the Indian economy. It is the second largest employment generator and GDP contributor in the country. In the most generic sense, real estate business means buying and selling properties (residential and commercial), which consist of land, buildings, attached natural resources, etc. The measures taken by the government to stimulate the real estate market include, among others, liberalization in foreign direct investment (FDI) (100 per cent investment under the automatic route with certain exceptions); increased transparency; and strengthening of information in the public domain via digitization of land records. The real estate and corporate sectors are playing a crucial role in the overall development of India's core infrastructure. Private Banks is providing housing loans towards Indians and NRI for fulfilling their needs. Prior to the crisis developers bought land with part payment and launched projects. Their challenges would be applicable to both national and international players as the consumer preferences in India vary from one location to other location the brand value is highly competitive in the market.

## Real Estate Market in India

Real estate market has been acknowledged traditionally as one of the most important segments of broader economy. In the past decades, it undergone dramatic rises and falls, culminating with the great fall in a form of US subprime mortgage crisis and triggered the financial crisis that resulted in global economic recession. During communism, most of citizens lived in rented places because it was very cheap and easy to get. System was based on social housing that was encouraging young people to take their first steps in family life. In later years, it is widely believed that real estate ownership is an unobtainable goal for some groups and especially for young people. Frequently treated as a financial asset, real estate property can be defined as all interests, benefits, rights and inherent in the ownership of physical real estate, where real estate is land together with all improvements that are permanently affixed to it and all appurtenances associated. Real estate market was always recognized as market of constant and ever-rising value. New segment of the property buyers is rising. Those are first-time buyers, employed young professionals, highly educated, with regular income who are trying to own their homes before middle-age. There is a large number of schemes designed to make home-ownership an attainable target to young professionals. When buying real estates, potential and current owners are ultimately concerned with the sustainability of the property and its value. The individual needs determine what they expect from a property as well as what they will be willing to pay for it. Understanding what the potential buyers are looking for, and who is influencing on his/her decision making process, seller will be able to market the property to the potential segment. This issue is especially important when it comes to the young population that is faced with a first-time decision regarding real estates.

## Purchasing of Residential Apartment

A buyer will consider a number of factors when purchasing a residential apartment. The major factors are location, building size, type of unit, number of bedrooms, design and layout, amenities, facilities, view, density, developer reputation, promotional efforts, security, and convenience. Other attributes that may contribute to dwelling choices are workplace accessibility and environmental quality. These factors form the market value of a property. Residential apartment purchase is a complex decision-making process which requires a buyer to pass through a number of steps. It starts with the requirement to identify product profiles, and then a search for information on the related profiles. The set of information gathered will consequently enable the buyer to evaluate these profiles based on certain criteria and hence, to make product choice before completing the purchase cycle with an after-sale evaluation. At the evaluative level, product attributes required by a buyer are determined so that problems identified in real estate can be resolved and these attributes are evaluated in terms of elements, number and importance. Attribute elements include price level, design type, floor size, style presentation, extent of prestige, and image portrayal, for which a buyer

considers them in combination during a purchase decision. Here is a list of apartment categories provided by the builders for the customers to choose which includes :

### **Builder Floors**

Builder floor apartments are primarily constructed by the builders which consist of not more than four floors, including the ground floor. The number of flats differs according to the builder's plan. These types of apartments have less number of floors as compared to multistorey apartments.

### **Multistorey**

These apartments consist of more than five floors with a common area and other amenities for the residents. It has multiple residential units in each floor with all the facilities required for living. Since it has more than 5 floors, lift facility is mandatory in such buildings to access easily other floors.

### **Studio**

Studio apartments are those which has a fixed number of rooms regardless of the number of floors in a building. These apartments consist of a living area, kitchen, and bedroom. It is mostly preferred by bachelors or people looking for a budget house because they save space and cost. Studios can be found in a builder floor or in the multistorey complex as well.

### **Row Houses**

Series of houses following the same architectural layout and design which are located adjacent to each other is known as row houses. These houses share a common wall and are very different from villas.

### **Villa**

This is one of the most luxurious types of apartments. Villa is an individual house with almost all types of facilities available within the gated community. It is also surrounded with a beautiful garden, lawns and a swimming pool.

### **Gated Communities**

By keeping the safety in mind, gated communities consists of multistory apartments, villas and row houses with limited access, strict security and situated inside a closed perimeter of fences and compound walls. All the facilities such as supermarket, gym, playground, restaurants, etc. are offered only to the residents.

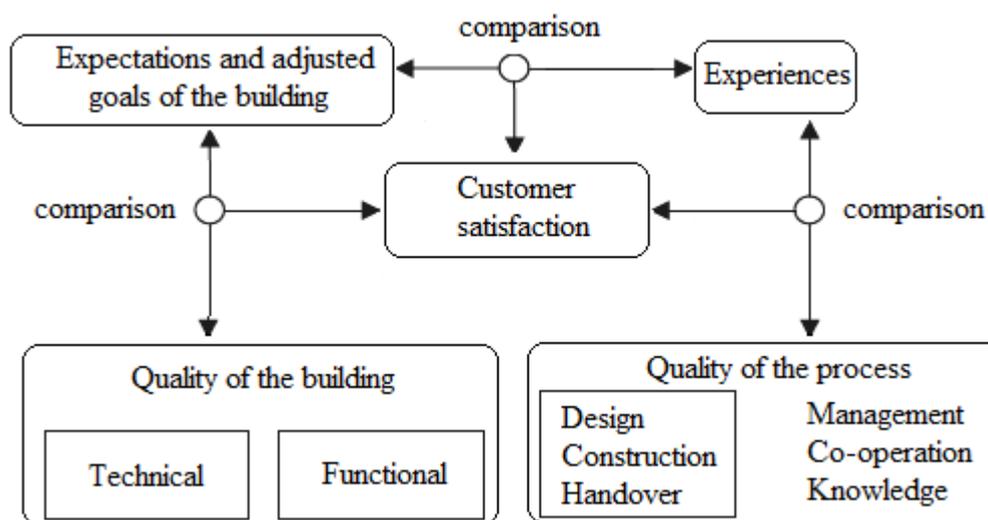
### **Integrated Township**

In an integrated township, all civic amenities such as roads, water, electricity, school, healthcare units, garbage disposals, parks, recreational centre, etc. within a gated community. These are residential complexes constructed either by the government or by private realtors and usually situated within suburbs.

### **Customer Perception of Buying Residential Apartment**

Customers' perceptions are formed subsequent to their experience of the services received from an organization. Furthermore, the level of previous customer experience with certain services that serve by

other firms can impact on customers' perception of service quality. Customers' perception results from how customers recognize service quality; customers' expectations, however, can be shaped through the influence of other people.



### Factors Influencing Buyers Behaviour

The study of consumer behaviour indicates how individuals, groups, and organizations select, buy, use or dispose of goods, services, ideas or experiences to satisfy their needs and desires.

### Marketing Factors

Each element of the market mix – product, pricing, promotion and place (distribution) – has the potential to affect the buying process at various stages.

**Product:** The uniqueness of the product, the physical appearance and packaging can influence buying decision of a consumer.

**Pricing:** Pricing strategy does affect buying behaviour of consumers. Marketers must consider the price sensitivity of the target customers while fixing prices.

**Promotion:** The various elements of promotion such as advertising, publicity, public relations, personal selling, and sales promotion affect buying behaviour of consumers. Marketers select the promotion mix after considering the nature of customers.

**Place:** The channels of distribution, and the place of distribution affects buying behaviour of consumers. Marketers make an attempt to select the right channel and distribute the products at the right place.

### Various problems faced by the Customers.

Buying a house is one important life time decision by an individual it cannot be made frequently. It requires a lot of planning, searching, and networking. These are only a few problems that home buyers face

when they are planning on buying a house. There are many other issues like the appreciation cost in the area, bad credit score, and false promises by builders/developers.

✓ **Approval by bank**

If you are applying for a loan to own a home, make sure the property that you have shortlisted is approved by the bank. There are chances that your financier doesn't approve of the home that you chose. The reason can be the age of the construction or the condition or the title of the property. This can also be taken as a red flag as the due diligence done by bank work as an indicator about the legal soundness of the property.

✓ **Property titles**

Most of the properties in our county is in litigation. Every home buyer should check the paperwork and see if the property titles are clear. This is a huge challenge as many real estate agents or owners themselves can talk us in to buy the property even though the title is not clear. Many owners claim that the property is jointly owned by a relative who will never cause a problem without getting consent to sell the house from all the parties involved. This often leads to litigation or an expensive settlement. Therefore, getting a property with clear titles is a huge issue.

✓ **Real estate agent versus online advertisements**

As soon one decides to buy a house, the first immediate question is if a real estate agent is required or not. Many prefer going online and searching for houses for sale as they can avoid brokerage and they can find a plethora of beautiful houses available for every budget. One can also play with the filters and refine their search to find a perfect house that suits all their requirements. However, there are many who still prefer the conservative way and choose agents to show them houses and are willing to pay a huge brokerage fee.

✓ **Location of the house**

One of the main hurdles a home buyer faces is deciding the location of the house. There are many advices available online on how to choose the ideal location. However, there is no universal rule. Few home buyers prefer picking up an affordable and spacious house on the outskirts of the city than investing a massive amount for a small apartment in a prime location within the city. If you are planning to buy a house, you will have to carefully choose a location that will suit your needs.

### ✓ Not-so-honest owners

When buying a house many fear fake owners. There are many house owners who are not honest when they sell their property. One of the biggest fear any home buyer will have is if the seller is being honest and giving all the required information. This has also been a concern as owners remain mysterious in most cases.

### Conclusion

The real estate industry has been developing at international level across India. This sector has traditionally been dominated by a number of small and large regional players with relatively high levels of expertise and financial resources. The residential flat promoters have capability persons to sell their flats. The customer perception level is been increased in buying flats. Hence, the promoters' quality service is providing more satisfaction to the buyers of residential flats.

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