

## A STUDY ON BUYING BEHAVIOUR OF REALESTATE INDUSTRIES

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### ABSTRACT:

The impact of globalization encompasses across the globe to which the Indian Industries are not an exception. The entire marketing arena is facing tremendous challenges in the ongoing globalization process. This has created an aggressively competitive environment. Though the performance of the products are good, when a better product comes to the market, it is a human tendency that they switch over to the new product, ie., the product may be good until a better product comes to market. This trend forces the manufacturers to carry out suitable promotional techniques. Out of various promotional methods, the advertising is highly useful and powerful. The advertising strategies must be changing dynamically depending on the situations.

**Keywords:** Advertising, Marketing strategy

### INTRODUCTION:

Today's customer service goes far beyond the traditional mobile user-agent. It is available via e-mail, Internet, and sms text messaging, and social media. A lot of companies offer self-service support, so customers can find their own answers at any given time of the day or night. The service is a lot more than just provide a response, it is a very important part of the promise your brand makes to its customers. Customer service and offer a great experience, especially if you have a support team that is going to continue to respond to issues, and then move on to predict the problems of the customers. When the support team will have the opportunity to work with the customer on the very edge of their abilities, or make use of the support-the solution that will enable them to be easy to sell or cross-sell related services, and they can be a great experience that will help you stand out from the competition.

## Review of Literature

All of us are consumers. We consume things of daily use. We also consume and buy these products according to our needs and preferences and buying power. These can be consumable goods, durable goods, speciality goods or, industrial goods. Armstrong Ayuk, Ceasarine Nyaseda (2008) .This paper explores the practice of advertisement as used in the developing nations .With Hofstede's cultural dimensions, it initiates a new way of viewing advertisement. The CFC Model has been used to demonstrate the contribution of agency theory and leadership to the complexity of advertisement. The appropriateness of advertisement has also been challenged. In conclusion, this paper infers that in order to discuss advertisement cross-nationally, agency theory, transformational and transactional theories and most importantly the cultural dimensions should be considered.

Objectives of study:

1. To analyse the factors influence in purchasing power of customers

Research Methodology:

## Research Design

It is a type of research conducted for a problem that has not been clearly defined. Exploratory research helps determine the best research design, data collection method and selection of subjects. It should draw definitive conclusions only with extreme caution. Given its fundamental nature, exploratory research often concludes that a perceived problem does not actually exist. Exploratory research often relies on secondary research such as reviewing available literature and/or data. The data collected throws new sight hence this study is exploratory in nature.

## Sampling Technique

For survey, the sampling frame was identified as customer: no: 112 probability convenient sampling technique.

## Sampling Size and Population

- The sample size was 112 and out of this probability convenient sampling technique was used

**Data analysis and interpretation:**

## ANNUAL INCOME OF THE HEAD OF THE FAMILY

Income	Number	Percentage
1 <sup>st</sup> group (1 lakh – 2 lakh)	50	50%
2 <sup>nd</sup> group (2 lakh - 3 lakh)	24	24%
3 <sup>rd</sup> group (3 lakh – 4 lakh)	18	18%
4 <sup>th</sup> (4 lakh and above)	8	8%

The table shows that of the people who purchased flats 50% are in the income group of 1 lakh to 2 lakh followed by 24% who are in the income group of 2 lakh to 3 lakh.

## OCCUPATION OF THE BUYER

Occupation	Number	Percentage
IT sector	20	20%
Banks/Financial Institutions	18	18%
Corporate	12	12%
Own business	22	22%
Government	20	20%
Academics	8	8%

The table shows that among the people who purchased flats 22% have their own business followed by 20% each in the IT sector and government employment.

THE MODE MOSTLY USED IN FINANCING THE FLAT

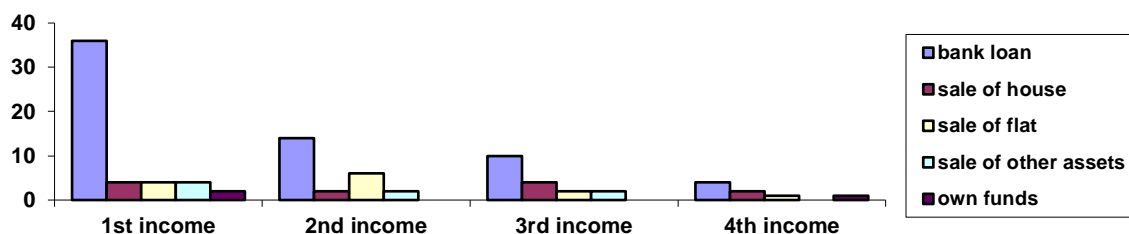
Income	Bank loan	Percentage	Sale of house	Percentage	Sale of flat	Percentage	Sale of other assets	Percentage	Own Funds	Percentage
1 <sup>st</sup> (1k – 2k) 50	36	72%	4	8%	4	8%	4	8%	2	4%
2 <sup>nd</sup> (2k – 3k) 24	14	58.3%	2	8.3%	6	25%	2	8.3%		-
3 <sup>rd</sup> (3k – 4k) 18	10	55.5%	4	22.2%	2	11.1%	2	11.1%		-
4 <sup>th</sup> (4k & above) 8	4	50%	2	25%	-	-	-	-	2	25%

From the table it is seen that 72% of the 1<sup>st</sup> income group have mostly used bank loans as the mode for financing the flat while 58.3% of the 2<sup>nd</sup> income group have used bank loans and 25% have used proceeds from the sale of flats.

Income	Lower rates of interest	Percentage	Lower EMI	Percentage	Easy repayment of loan	Percentage	Better terms and conditions	Percentage
1 <sup>st</sup> 1k-2k 36	12	33.3%	4	11.1%	14	38.89%	6	16.67%
2 <sup>nd</sup> 2k-3k 14	4	28.57%	-	-	4	28.57%	6	42.86%

3 <sup>rd</sup> 3lk-4lk 10	-	-	-	-	6	60%	4	40%
4 <sup>th</sup> above 4lk 4	2	50%	-	-	-	-	2	50%

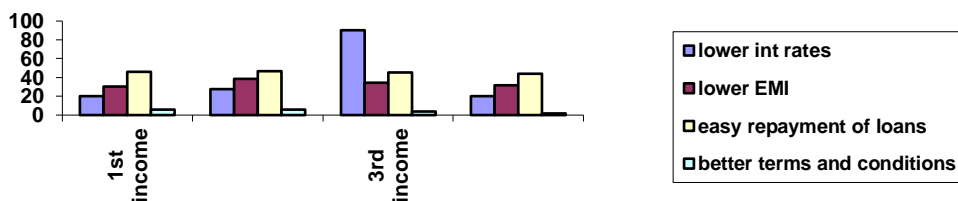
**MODE OF FINANCING THE FLAT**



**MOST INFLUENCING FACTOR IN SELECTION OF A BANK**

The table shows that for the 1<sup>st</sup> income group the most influencing factor is easy repayment of the bank loan with 38.89% and the least influencing factor is lower EMI with a percentage of 11.1, while for the 2nd income group the factors lower interest rates and easy repayment of loan both equally influence the group with a percentage of 28.57 each.

**MOST INFLUENCING FACTOR IN SELECTION OF BANKS**



**Findings**

- ❖ Most flats are purchased by the people who belong to the 1<sup>st</sup> income group whose annual income is in the range of 1 lakh to 2 lakh.
- ❖ People with an annual income of more than 4 lakh and who belong to the 4<sup>th</sup> income group give less preference to flats.

- ❖ The Age of the buyer of flats in mostly falls in the range of 25 to 45.
- ❖ People in the age of group of 50 and above do not give much preference to flats.
- ❖ Size of the Households living in Flats mostly falls in the range of 2 to 4.
- ❖ Households with a size of 5 and above do not prefer flats much.
- ❖ All categories of employees have a preference flats.

## CONCLUSIONS

- ❖ People who have less annual income give importance only to basic necessities.
- ❖ Less importance is given to other facilities, which is likely to raise the cost of the flat.
- ❖ People with high annual incomes tend to give importance to facilities other than the basic necessities as they have more disposable income.

## Suggestions

As the housing industry is developing very rapidly in India, there is a cutthroat competition and aggressive marketing in this sector. The general public also demands more housing facilities, thanks to easy availability of the loans given by the banks and financial institution. To satisfy the customers the flat promoters are advised to take the following suggestion

- ❖ Interior decoration should be given more importance.
- ❖ The facilities like water, parking and lift must be taken care of by the builders.
- ❖ The properties must be free from legal complications.
- ❖ The elevation to the building must be given priority.