



A Study on Buyer Expectation and Quality Service of Flat Promoter's in Coimbatore City

KEYWORDS

Information, Communication, Technology

DR.K.SINGARAVELU

Research supervisor, Department of Commerce, CBM College

G.MANORANJITHAM

Assistant Professor, Sri Ramalinga Sowdambigai College of Science and Commerce

Introduction

India's strong economic performance is the basis for the success in real estate sector. The liberal economic policies aimed at improving private participation, adopted by the Indian Government has helped in capitalising the strong fundamentals of the Indian economy which include young population, rising urbanisation and a growing middle-class population.

In today's rapidly changing world, there is a drastic change in the lifestyle of the people. People prefer to have a comfortable living with modern dressing styles and rich looks, sumptuous food, air-conditioned rooms, luxury cars and homes with all facilities/ amenities. They want to fulfil their lifetime ambition of owning a beautiful house with an aesthetic appeal and they attain the status of "customers" in the context of home-buying once they complete the transaction of purchase or occupy a residential house or apartment as an owner; such home-buying customers actually influence the demand of a construction project.

The Indian real estate sector has traditionally been dominated by a number of small regional players with relatively low levels of expertise and/or financial resources. Historically, the sector has not benefited from institutional capital; instead, it has traditionally tapped high net-worth individuals and other informal sources of financing, which has led to low levels of transparency. This scenario underwent a change within line with the sector's growth, and as of today, the real estate industry's dynamics reflect consumers' expectations of higher quality with India's increasing integration with the global economy.

In India about 91 million people shifted to cities over the last decade resulting in development of about 2,774 new cities, taking the total number of cities to 7,935. The urbanisation resulted in development of 51 million new houses in urban areas. The number of cities with population of more than 1 million increased from 35 to 53, of which eight cities have a population of more than 5 million.

Statement of the Problem

The Construction sector in India is the second largest economic activity after agriculture and provides employment to about 33 million people. India's Construction industry has grown at a Compounded Annual Growth Rate (CAGR) of about 11.1% over the last eight years on the backdrop of massive infrastructure investment and rapid rise in housing demand. Spending on infrastructure sectors such as ports, power plants and roads is projected at more than Rs. 2.5 trillion annually for the next six years, and will require 92 million man years of labour. Construction invest-

ment accounts for around 52.4% of the Gross Fixed Capital Formation in India. Investments in Construction have a positive domino effect on supplier industries, thereby contributing immensely to economic development. The Construction sector has strong linkages with various industries such as cement, steel, chemicals, paints, tiles, fixtures and fittings. While in the short term it serves as a demand booster, in the long term it contributes towards boosting the infrastructure capacity.

Sampling Size

There are twelve corporations in Tamil Nadu namely Chennai, Coimbatore, Madurai, Tiruchirappalli, Salem, Tirunelveli, Tiruppur, Erode, Vellore and Thoothukudi, Thanjavur and Dindigul of which the Coimbatore city was selected for the study on the basis of industrial background and availability of employment opportunities. The city is divided into four regions, namely North, South, East and West. From each region 10 apartments which are constructed from 2005 to 2014 were selected at random, a total of 40 apartments were selected. Among the selected apartments, ten units (Respondents) were selected for the study on the basis of random sampling technique (drawing lots). Thus, 400 owners of residential flat were selected for the study.

Scope of the Study

This study throws light on the service quality and the factors that affect the buyer satisfaction with residential flat in Coimbatore city in Tamilnadu. An attempt has been made in this research to find out the various factors that affect the purchase decision of the residential flats in Coimbatore city and the perceived value of the customers about the service quality of the residential flat promoters. This study will be helpful to draw up a further policy for improving customer satisfaction in residential flats and increase performance of the real estate promoters and will act as a secondary data for further research.

Objectives of the Study

Based on the empirical concepts identified for the effective conduct of this study the following objectives are framed.

To examine the growth and development of real estate industry within India with particular focus to Tamilnadu.

To study the factors that affect purchase decision of residential flats in the study area.

Concept of Real Estate Market in India

Indian real estate has seen an unprecedented boom in the last few years. This was ignited and fueled by two main forces. First, the expanding industrial sector has created a surge in demand for offices building and dwellings.

Second, the liberalization policies of government have decreased the need for permission and licenses before taking up mega construction projects. Opening the doors to foreign investments is a further step in these directions. The government has allowed FDI in the real estate sector since 2002. With increasing sophistication of the real estate market in India, the need for valuation systems and practice becomes extremely acute, particularly in this large country of sub-continental proportions. This need becomes even more important in the evolving economy of India which has embarked on the overall policy of liberalization with foreign direct investment and entry of several players in the market. Concomitantly, the mortgage housing finance market for home ownership has also been maturing in India and this present its own issues for a standardized system of valuation practice.

Real estate industry in India

The term "real estate" is defined as land, including the air above it and the earth below it and any buildings or structures on it. Land plus anything permanently fixed to it, including buildings, sheds and other items attached to the structure. Although, media often refers to the "real estate market" from the perspective of residential living, real estate can be grouped into three broad categories based on its use: residential, commercial and industrial. Examples of real estate include undeveloped land, houses, condominiums, town homes, office buildings, retail store buildings and factories. At present, the real estate and construction sectors are playing a crucial role in the overall development of India's core infrastructure. Real Estate in India is one of the most important revenue generating sectors. In every assets are having depreciation value. Investment in property is believed to be the smartest move as chances of loss is negligible. The growth and appreciation in this sector is directly influences the economy of the country. In case in India if a person having an own property is a matter of pride, attachment to the property is massive. Also, it is the most profitable investment in India. The growth graph of the Real Estate sector is observed to be rising day by day.

Factor Analysis for Expectation on the Quality of Services Offered by Flat Promoter Services in Coimbatore City

The variable promoters having taste of customers interest has the maximum component loading of 0.864 followed by the variables promoters willingness to help their buyers (0.835), promoters truthfulness to buyers (0.815), promoters and their employees politeness and responsiveness (0.812), Promoter allotment time for hear grievance and complaints (0.802), promoters providing safety to buyers (0.738), promoters intimation about their services (0.705), promoters have sympathetic and reassuring sense, when buyers have some problems (0.671), promoters record keeping system (0.599), Promoters keep attractive design of flats (0.590), promoters should have punctuality (0.564), Promoters should be well dressed and precise (0.529) and Promoters should have adequate knowledge (0.524) and these thirteen variables from a factor "Characteristics of the Promoters".

The variation explained by the individual variables in the retained three factors was also calculated as presented as communality. The variable Promoters should be truthful to buyers at anytime for a specified work explained 93.50% of variation, Promoters should allocate time to share grievances and complaints for their buyers explained 89.80% of variation, Promoters should intimate to buyers exactly

when the services will be performed explained 87.90% of variation, Promoters should always be willing to help their buyers explained 86.30 % of variation, Promoters and their employees should be polite and responsive explained 82.30% of variation, The promoters should have punctuality to do certain work in a time explained 79.40% of variation, Promoters should have the taste of customer's interests from their conversation explained 77.00% of variation, Promoters should provide full safety and courage to their buyers explained 76.80 of variation, Promoters should have a complaint handling system for buyers satisfaction explained 73.80% of variation, Promoters should be well dressed and precise explained 72.70% and Promoter should keep their records accurate variable explained 71.30% in all these three factors.

Factor Analysis for the Expectation of the Respondents on the Quality Services Offered by flat promoter services in Coimbatore City

Sl. No.	Quality of Service	Expectation Scale			
		Factor I	Factor II	Factor III	H ²
1.	Promoters should have adequate knowledge	.524	.502	.172	.557
2.	Promoter's should helpful to their buyers	.413	.288	.465	.469
3.	Promoters should be well dressed and precise	.529	-.198	.639	.727
4.	The behavior of the promoters should be good	.317	-.299	-.076	.196
5.	Exterior and interior design of flats should be attractive	.590	-.399	.365	.641
6.	The promoters should have punctuality to do certain work in a time	.564	-.533	-.438	.794
7.	The promoters should be sympathetic and reassuring, when buyers have some problems.	.671	.436	-.193	.677
8.	Promoters would perform the service right from the first time	-.176	.653	.061	.461
9.	Promoters should be truthful to buyers at anytime for a specified work	.815	.479	-.202	.935
10.	Promoter should keep their records accurate	.599	-.174	.569	.713
11.	Promoters should intimate to buyers exactly when the services will be performed	.705	-.535	.309	.879
12.	Promoters should give prompt service to buyers	.346	.654	.303	.639
13.	Promoters should always be willing to help their buyers	.835	-.181	.364	.863
14.	Promoters should not avoid buyers query at any time when he was busy.	-.133	.071	.238	.079
15.	Promoters should be trustworthy to their buyers	-.133	.071	.238	.079

16.	Promoters should provide full safety and courage to their buyers	.738	-.178	-.437	.768
17.	Promoters and their employees should be polite and responsive	.812	.363	-.180	.823
18.	The promoters should provide adequate support to their buyers	.401	.578	-.306	.588
19.	Promoters should provide individual attention to their buyers.	-.434	.184	.511	.483
20.	Promoters should allocate time to share grievances and complaints for their buyers.	.802	-.213	-.458	.898
21.	Promoters and their employees should understand the specific requirements of the buyers.	.476	.281	-.221	.354
22.	Promoters should have the taste of customer's interests from their conversation.	.864	-.063	.142	.770
23.	Promoters should have a complaint handling system for buyer's satisfaction.	-.015	.854	.092	.738
	Eigen Value	7.511	3.930	2.690	
	% of Variance	32.656	17.086	11.695	61.437

Source: Primary Data

CONCLUSION

The residential flat promoter service is always unique in this real estate industry to enhance the people life. This sector has traditionally been dominated by a number of small and big regional players with relatively high levels of expertise and financial resources. The customer Expectation level was good towards purchasing flat in Coimbatore city. The Promoters Quality service is providing more satisfied to the buyers.

Reference

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