



ORIGINAL RESEARCH PAPER

Commerce

A STUDY ON E-MARKETING WITH REFERENCE TO REAL ESTATE BUSINESS IN COIMBATORE CITY

KEY WORDS: real estates, urbanization, investors, residential, Technology

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ABSTRACT

India is one of the fastest growing countries in terms of technology. With the population of over 1.34 billion India is the 2nd largest country in the world after China. Since the population is increasing year by year there is a lot of need for all the basic amenities like food, clothing and shelter. Shelter has also become an important way of life. Real estate's play a vital role in this part. It is not only attracting domestic investors but also the foreign investors; particularly, the Non Resident Indian (NRI) investments in India have a bulk of their share particularly on the Indian housing market. This growth is due to the large population, high income and urbanization. For this development the technological world is also playing an important role. In this view, Coimbatore is also emerging in the real estate business in the recent years. All the realtors have updated their business online so it is easily accessible, but people are not aware of the online business carried out and also the various facilities provided online. Keeping this in mind the researcher made a study on the customer's awareness towards real estate online business. The focus of this paper is to study the scenario of the residential segment of the real estate business pertaining to Coimbatore city.

INTRODUCTION

E-Commerce refers to the use of internet as a tool to reach out to the customers. It's a platform between the buyer and the seller to carry out the trade and business activities. It is simply considered to be a process of marketing a brand using the internet. E-commerce plays a pivotal role in almost all the industries and real estate's is no exception. In India almost all the industries have adopted E-Commerce to develop themselves in all aspects. E-marketing is a subset of e-business that utilises electronic medium to perform marketing activities and achieve desired marketing objectives of an organisation. In today's technology driven world, more and more buyers are turning to the internet to look for online shopping. Real estate internet marketing is a booming business, along with all other forms of internet businesses. Real estate Sector in Coimbatore city has also come in to taste the flavor of E-Commerce. Coimbatore City has become a hot spot for investors in real estate. There is a huge demand for vacant lands, apartments, houses and office spaces in Coimbatore. Real estate internet marketing has opened new avenues to all the realtors who are keen on investing in real estate and procuring a property regardless of whether it is a residential, commercial and industrial property.

STATEMENT OF PROBLEM

In India, the housing problem is felt more acutely in the recent years. Even after independence, there is scarcity for houses in India. The problem of lack of shelter has led to migration of people from one place to another. The per capita income of the country has also lowered due to this. The government has established new schemes for the development of real estates in India. In India most of the promoters have created their own portals. Most of the developers in Coimbatore have open their own portals for the development of their business. There is still a drawback in the business. This particular study highlights the importance of e-commerce in real estates and the strategy adopted by the promoters to market their properties online and the problems faced.

OBJECTIVES OF THE STUDY

- To study the concept of E-Marketing related to Real Estates.
- To know the real estate market trend on online marketing in Coimbatore city
- To identify e-marketing strategy of the property developers.
- To understand the problems in e-marketing and offer suggestions.

METHODOLOGY

The data used for the study is secondary data comprising of official websites, journals, magazines and articles. Limitation of the study is that it is confined only to Coimbatore city. Since the data is secondary it is more dependable and reliable.

REVIEW OF LITERATURE

Singh V and Komal (2009) explained in their article about the investment in India for property or industry use. And also they divide this sector into three division, under 1st one they explained the fundamental factor are affecting the real sector value like demand, supply, property, restriction to use and site characteristics. Under the 2nd and 3rd one, they explained the causes and constraints to the present real estate boom respectively in India. They also present the suggestion and future prospects of real estate in the country Bansal.A, Sirohi R and Jha Manish (2011) in their article explain that the real-estate sector has playing a crucial role in SEZ (Special Economic Zone) and forming of township. As also, it helps the town to become cities. They also explain the concept of "green" building, adopted by the sector, testifying to a significant emphasis on sustainability consideration. They explain the infrastructure development is just before parallel to the real estate developments. Their paper presents a panoramic view of the operations of Indian real estate sector in various property segments, the challenges faced by the sector and its prospects.

Gill, A.S.P.Sharma, H.S Mand, N. Mathur, (2012) in their paper explained the growth of real estate and economic growth as globalization and emergence of Multinational corporations in India. The growth of population, raise in income level, rapid urbanization also has influenced the growth of real estate market in India.

Sukrit basu (2014) focused on the scenario of the residential segments of the real estate market in Pune city. This study gives an overview of Indian residential real estate market and identifies the various growth phases and highlights the housing shortages. A comparative analysis is done to identify the top locations across all segments which will provide the best returns on investment in future. This study ends with identifying the emerging Pune housing trends which indicate that the quality of life that the citizens will experience in future will match the global standards.

Yan Sun Okwenna Ifeanyi (2014) in his study investigated e-business adoption into real estate agencies in china. This study focuses on the advantages and disadvantages if IT/IS integration. It shows that if e-business properly deployed can improve the service quality and increase general performance of real estate agencies in china.

THE STATUS 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. This is 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. As compared to last year the real estate industry has show signs of revival in the year 2017. By introducing regulations like RERA, Benami Transaction Prohibition, REITS, GST there is a long-term industrial growth and it also impacts on ease of business by transparency at work. In the year 2017 a lot is expected out of the Government to offer some relief for the sector and its stakeholders.

All these developments in the last 12 years have fuelled up the real estate industry. With the development of private property ownership and e-commerce, real estate has become a major area of business.

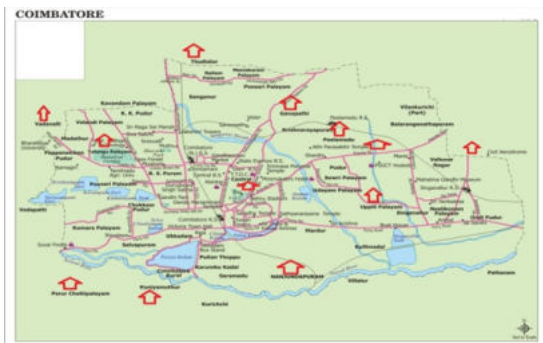
SEGMENTS IN THE INDIAN REAL ESTATE SECTOR



REAL ESTATE IN COIMBATORE CITY:

Coimbatore, categorized as a Business & Industrial Centre, has the pride label of one of the top 20 cities chosen by the Ministry of Urban Development, Government of India under the Smart Cities Mission initiative. Coimbatore City has become a hot spot for investors of real estate. There is a huge demand for **vacant lands, apartments, houses and office spaces in Coimbatore**. With the setting up of the IT Companies in Coimbatore the real estate property price shoot up in the city. Coimbatore is seeing an increased flow of foreign funds. Considering the current property rates in Coimbatore and housing loan interest rates in India, it is worth investing in Coimbatore. For the investors, **Coimbatore is the right place to invest in real estate**. Apart from that there are a number of property developers flourishing in the textile city. There are more than 75 registered CREDAI Property developers and more than 150 unregistered property developers. Almost most of the leading property developers in Coimbatore have their own portal displaying their products. They have started marketing their properties online. As per the recent study Coimbatore stands in the top nine smart cities to invest in real estates.

Booming Spots in Coimbatore City



ANALYSIS AND FINDINGS

As per the study, Coimbatore has become a hub for real estate market in south India. With the advent of technology the business has got a boom in the market. The city's activities have diversified beyond textile in recent years to include general engineering, automobile parts manufacturing, IT/ITeS Educational Institutions and Hospitals. Earlier, real estate activity was driven by small commercial developments, offices of local businesses, high street retail and individual houses. "The emergence of the IT/ITeS sector has led to organised retail developments. Increasing land cost has paved way for group housing built by local and national developers". Locations like Avinashi Road, Trichy Road, Saravanampatty, Race Course, Ganapathy and Vadavalli are set to witness capital appreciation in the next five to seven years. Moreover there are a large number of NRI Investors in the market. It is also found out that 40% of real estate investments come from those living in cities such as Bangalore, Kochi, and Chennai. The promoters are using their portal as well websites like magicbricks, 99acres.com etc., to sell their property, due to which there are a lot of outsiders investing in the market.

Table – 1 Showing the average price at different localities in Coimbatore

Locality	Price range (Rs/Sq .ft)	Average Price	% Increase /Decrease)
Avinashi road	3,467-5,666	4,566	nil
Saravanampatty	2,961-4,275	3,618	2% less
Kovai pudur	2,800-4,000	3,400	1% more
Saibaba colony	2,200-5,400	3,800	4% more
Mettupalayam road	2,607-4,678	3,642	2% more
Sathy road	2,306-3,177	2,741	1% more
Pollachi road	2,500-3,701	3,100	3% more
Karamadai	2,000-3,400	2,700	1% less
Kurumbapalayam	2,350-4,000	3,175	2% more
Sulur	2,500-4,180	3,340	4% more
Kinathukadavu	2,200-4,000	3,100	2% more
Vadavalli	3,258-4,565	3,912	3% more

Chart – 1 Showing the Average price (per Sq.ft) in Coimbatore city



Interpretation:

From the table it is easily understood that, there is a more demand for the plots sold in Avinashi road i.e. Peelamedu, Sitra, Chinniapalayam, Thenampalayam, Neelembur Lakshmi mills, Uppilipalayam, etc., whereas there is a very less demand for plots in Karamadai. Places like Saibaba colony, Vadavalli, Mettupalayam road, Saravanampatty are developing in this context.

The real estate also contributes to the following:

Real estate contribution to India's GDP is estimated to increase to about 13 per cent by 2028 from the current 5% growth.

FDI in the real estate sector in an upward trend. FDI in real estate will grow from \$4 billion currently to over \$25 billion in the present or next decade.

The analysis also highlights the Strategies, Problems and offer Suggestions for the Real Estate Business in Coimbatore

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Strategies adopted by the real estate promoters:

- Using social networking sites to spread the word.
- Reaching customers through the attractive websites.
- Digital story telling
- Inbound Marketing
- Brand building
- Providing site images through website.
- Various benefits and offers
- Using E-mail Communication
- Run Pop up Ads
- Attractive images

Problems faced in e-marketing in Coimbatore:

- It is difficult to understand the real value proposition.
- It is not easy to create an emotional bond between the buyer and the property
- Bargaining with the developer is a difficult task – and this is a privilege which every property buyer, regardless of financial strength, expects
- Developers are not perceived to be among the most transparent and trustworthy sellers
- The rates involved in property purchase are too high for deals to be confidently concluded online.

Suggestion for the Real Estate Business:

- A strong sales force is at all times required to transform direct inquiries into purchase decisions.
- Being mobile friendly is important.
- Target all the search engines.
- Have subscribers to your online newsletter.
- Communicate to agents and customers through blogs.

CONCLUSION

Conclusively, Coimbatore has emerged as a strong and growing economy based on manufacturing and services sectors. Overall, accelerated by the present measures by the Government Indian Real estate sector will surely witness a healthy growth with growing demand in the year 2017. In the rapid development of network technology and e-commerce technology application expanding environment urban real estate enterprises improve business operating mode of operation, enhance management and efficiency by using the technology of e-commerce. With the onset of e-commerce in the sector there will be a positive result in the real estate market. There can even be more advancement made in the technology so as to still improve the business. Consequently, it can be believed that the Indian real estate sector will emerge stronger, healthier and capable of long periods of sustained growth, provided adequate policy/regulatory support by the respective authorities. Using e-commerce methods is significantly improving the management efficiency and market competitive ability, and also helps in making further development of urban real estate. The perfect combination of real estate and e-commerce is creating miracles in modern urban development and bringing more attractive prospect.

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