Chapter VIII

FUTURE SCOPE AND CONCLUSION
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8.1 Introduction

This chapter covers the future scope and conclusion of the research findings.

8.2 Future scope of research

This study was an attempt to make an understanding about consumer buying behaviour of villas and apartments in Kerala. Inferences were made about the factors affecting the consumer behaviour, expectations about villas/apartments, expectations about builders etc. The builders of villas and apartments can use these findings while developing their projects and formulating their marketing strategies. This study will help them to understand consumers better by knowing their preferences in different dimensions. This understanding will lead to better explanations and predictions in real estate markets and as a result, greater success in the market place. The results of this research may offer a spring board for future research in this field. This study suggests several directions for future research. Real estate is now widely accepted as one of the better investment options for the future period of time. Many buyers are realising this. These ‘investors’ not only live in Kerala, but are scattered across the globe, ready to make their investments in real estate projects located in Kerala. Keralites can be categorised into three groups: those who live in Kerala, those who live outside Kerala but within India, and those who live outside India. Hence there exists a scope for undertaking a comparative study among these different categories of buyers in order to know the differences if any existing with regard to the various factors considered for the study. A new trend in the purchase of villas and apartments is gradually brewing up in Kerala. This is with regard to the tendency of people from other states of India to buy housing properties in Kerala. There is a scope for conducting a study by including this segment of buyers also. There is a possibility of doing a comprehensive study by including builders and buyers of villas and apartments. This study has not included the potential buyers of villas and apartments. Hence another study can be done by collecting data from both potential buyers and those who have already purchased villas and apartments. Another comparative study can be done by selecting the buyers of housing projects located in select states in India. A study can also be done by giving more thrust to the
consumer buying behaviour of low-cost housing projects. A comparative study by including buyers, builders, sales personnel, brokers, etc. will help to develop a highly comprehensive body of knowledge about this industry.

8.3 Conclusion

Consumer behaviour is an area of study which gives insight to marketers regarding how consumers behave, while making buying decisions. In today’s globalized economy, competition is getting intensified. Due to this, it becomes more difficult for products and services such as Villas and Apartments to differentiate themselves from other services than ever before. The practice of buying Villas and Apartments in Kerala is on the rise. National and International builders are competing each other, with appealing projects with the backing of advanced technologies and world class architectural style. From the data available from various sources regarding the number of completed Villas and Apartments in earlier years, it can be seen that there is growth in the number of projects completed over the years. This is testimonial to the fact that there is an increase in demand for Villas and Apartments in Kerala and there exists a great potential for this sector. But not many systematic studies to understand the factors influencing the buying of Villas and Apartments as well as the consumer satisfaction were done in the context of Kerala. Hence there exists a gap in the body of knowledge regarding these aspects related to the buying of Villas and Apartments. This study is an attempt to fill the above mentioned gap.

This study covers various aspects related to buying of Villas and Apartments in Kerala. External and Internal factors affecting the buying of Villas and Apartments, Consumers expectation about Villas and Apartments, Consumers expectation from builders, Other factors such as pricing, investment, Vasthu, construction related risk factors, Buyer objectives, Buying decision and level of satisfaction were included in this study. This study was done by collecting data from the consumers of Villas and Apartments, in Kerala. For the purpose of the study, the three regions of Kerala – North, Central and South were considered. Accordingly Thiruvanthapuram and Kottayam districts were selected from south zone,
Ernakulam and Thrissur were selected from central zone, Kozhikode and Kannur districts were selected from north zone.

Both primary data and secondary data were used for this study. The secondary data for this research study were collected from various sources like journals, articles, publications, press releases, previous study reports, working papers and the internet. This include publications of central, state, and local governments; journals, books, magazines, websites, newspapers; reports and publications of concerned organizations; reports prepared by research scholars; public records and statistics, historical documents and other sources of published information. The study was conducted among the buyers of Villas and Apartments in Kerala. It is estimated that, in Kerala there are 1032 Apartment Projects. [Source: Survey Report on Private Residential Apartments in Kerala (2013), Statistics cell, Office of the Chief Town Planner, Department of Town & Country Planning, Government of Kerala] and 212 villas [Source: official web sites of CREDAI & Kerala Builders Association (2013)]. Multistage Stratified proportional sampling method was used for the collection of data. Primary data were collected from 750 respondents who are the buyers of Apartments/villas. 600 respondents were the buyers of Apartments and 150 respondents were the buyers of Villa from select districts in Kerala. Primary data were collected through a structured questionnaire. Separate questionnaire were used for the buyers of Apartments and buyers of Villa. Descriptive analysis, Correlation analysis, Regression Analysis and ANOVA were the statistical tools used for this study.

It was found from the study that, while making decisions on select factors such as Location, Type of buildings, Total sq. ft area, Budget, Funding agency, No. of bedrooms and Vasthu, the role of spouse in the joint decision making process is significant. The role is high in decisions about number of bedrooms and lowest in the case of ‘Vasthu’. Parents are also playing a commendable role in decisions regarding budget, funding agency etc., apart from spouse. Hence builders of Apartments should take in to consideration the family members also in their product design and promotion programs. 31.7% of the respondents have prior experience in buying Apartments. It can be inferred that there is a significant percentage of respondents who have repeat purchasing behaviour. Out of this 8.7% have
purchased Apartments, three or more number of times. Builders should develop and promote packages targeting these buyers by way of offering loyalty bonus and other similar measures to boost their appetite for repeat purchase. It was found that majority of the respondents have taken 1-9 month for finalizing the decision on buying Apartments. Hence builders should undertake follow-up action so as to ensure that an enquiry made by a customer will finally end up in the actual purchase of Apartment. This may include measures such as maintaining contacts through sales people and E-mail. Based on the findings of the study, builders should provide certain dwelling unit features which are being preferred by the buyers. For instance Size of the Apartment, Space available in each room, Arrangements of rooms, Privacy, Location, Space for children to study etc. are very important dwelling unit features preferred by the respondents. Builders should ensure that these factors are given due consideration while deciding and developing Apartment projects. Respondents expect certain support services as inevitable and highly important in Apartment projects. These include Garbage collection, Cleaning services, parking space, Home insurance, Play area for children etc. Builders should include these services while developing Apartment projects. It was found from the study that respondents have reliance on websites for getting information. Moreover they wanted to have comprehensive, reliable and updated information in the builder’s websites. Getting connected with customers online is the need of the hour and hence builders should revamp their websites with attractive designs and layout having more customer friendly information. Findings of the study revealed that buyers have a higher level of involvement in the purchase decision. They prefer to make personal visit to projects before making a purchase, conduct detailed enquiry and consult friends. Since the involvement of buyer is very high builders should provide relevant reliable, accurate and timely information to the buyers through brochures and websites. Respondents felt that social status, opportunity to associate with people of equal status and availability of all modern amenities motivated them. Hence builders should highlight these factors in their promotional efforts.

Buyers of Villa give more importance to factors such as regional preference, expression of individuality and family tradition while buying. Since there is a strong preference for regional factors builders should consider it while locating their
projects. This factor should be reflected on the design and developments of Villa projects by builders. For 41.3% respondent’s source of information Friends/Colleagues and for 15.3% the source is Advertisement. Hence builders of Villa should take measures to ensure that there is positive word of mouth publicity about the Villa projects. Since respondents rely on advertisement also for getting information, care should be taken that advertisement containing information about Villa project should reach maximum number of people in the target group. For this media selection has to be done judiciously. Respondents have higher level of expectations about the space availability for each rooms, size & location of rooms, layout of the building, privacy and space for children to study. Builders should take in to consideration these factors while developing Villa projects. Respondents expect certain specific dwelling unit support services in their Villas. Garbage collection and cleanliness of drain were given top most preference by the respondents. Builders should develop mechanism for the timely collection of Garbage and Cleaning of drains. It is desirable that builders can install facilities such as incinerators for proper disposal of waste generated within the Villa projects. Since buyers expect support services such as play area, rain water harvesting and security through CC TV, it is desirable that builders should make provisions for these services in their Villa projects. While selecting locations for Villa projects, builders should give priority to locations which have proximity to hospitals/public transportation facilities and schools/colleges. Buyers are concerned about certain factors related to documentation they have given higher priority for getting ‘No objection certificate’ from local bodies, documents related to utilities and concerned from other relevant agencies. Hence builders should convince the buyers with regard to the receipt of these documents which will help to build confidence of buyers. Reaching the customers especially NRIs requires strong online platforms. A customer friendly website, which can provide all the information required by the buyer can act just like a effective sales person to attract customers. For having a better understanding and feel about the realities of Villa projects, builders can include interactive videos in their websites. Uploading 360° videos highlighting various features of the whole project, details of various rooms and other facilities can be considered by the builder. It was found that respondents are concerned about
factors such as ‘Vasthu’, Eco- friendly construction materials and methods and the level of pollution in the locality of Villa projects. Builders should give due consideration for these factors while developing Villa projects. Buyers of Villa perceive higher level of Risk with regard to completion of project within the stipulated time, obtaining clearness for utilities, quality of fittings etc. Since these factors are considered as risk factors by the buyer, Builder should take measures to convince the buyers that these risk factors are properly taken care of.

This study has identified many factors which are significant in the context of consumer behavior with regard to the buying of villas and apartments in Kerala. An attempt was made to establish the relationships existing among select variables. These insights would be of considerable value for the builders in designing their projects and formulating marketing strategies. Buyers also will get certain ideas about the aspects such as dwelling unit features, support services etc. that they should look into while scouting for housing projects. The inferences made here would enhance and improve the existing body of knowledge, which is the contribution of this study. Since not many systematic studies were done earlier about the consumer behavior of villas and apartments, especially in the context of Kerala, this study can open up new avenues for undertaking further research in this area.