

A study on customer perception and behavioural changes towards residential flat promoters in Coimbatore city

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Abstract

The residential flat promoter services are vastly providing more different offers and opportunities to the buyers. The customers have to consider so many factors before and after purchasing the residential flat. The objectives of study are to study growth and development of residential flat promoter services and to show the buyers behaviour towards the service quality of the residential flat promoters in the Coimbatore city. The study analyzes the factor that affects purchase decisions of residential flat and perceptions of the respondents about the service quality of the promoters in Coimbatore city, interview schedule method has adopted for the present study. The researcher has taken 400 buyers of residential flat were selected from the Coimbatore City. The primary data were used to analysis the perception level of the customers in the study area. The present study has been used the tools like descriptive analysis and ANOVA test to find out the perception level of the apartment buyers. The promoter's quality service is changing the buyer's behaviors and satisfied in their perception level towards purchase of residential flats in Coimbatore city.

Keywords: ANOVA, Behaviour, Perception and Residential Flats

1. Introduction

Human being is a unique creation of this world. As humans, people need to have certain essential things for survival. The real estate sector in India assumed greater prominence with the liberalization of the economy, as the consequent increase in business opportunities and labour migration led to rising demand for commercial and housing space. At present, the real estate and construction sectors are playing a crucial role in the overall development of India's core infrastructure. The basic amenities of living for people are food, clothing and shelter. For shelter people need a house. But the land available is limited. The best use of land for shelter is building of the apartment. This way minimum land can be utilized for the shelter of maximum people. In India from various real estate sector is growing in a marvellous way in the presence of private banks. These banks are providing housing loans towards Indians and NRIs for fulfilling their self or business purpose. In India, most of the city like New Delhi, Bangalore, Chennai, Mumbai etc. these are main midpoint for the business and these cities are providing more employment opportunities towards jobseekers. Service quality is commonly noted as a critical prerequisite and a determinant of competitiveness for establishing and sustaining satisfying relationships with customers. Hence service quality is an important indicator of residential satisfaction. According to this, the emotion surrounding disconfirmed expectations is coupled with the customer's prior feelings about the consumption experience. Indeed, customer satisfaction is the consequence of customer expectation on the services and products that they have received from providers. Therefore, they have reached a unique state in which satisfaction is defined as the comparison between expectations and perceived performance.

2. Review of Literature

The different earlier studies were studied about the customer perception and behavioural changes in different places. Torbica and Stroh (1999) used data from the housing industry in Florida to measure customer satisfaction on the basis of service and product quality. In addition, they examined customer satisfaction in the context of total quality management by comparing worker quality with customer quality. Morshidi, *et al.* (1999) who found that those between 30 to 40 years old had the highest intentions of getting new houses whereas the older residents had the lowest probability of moving. Morel *et al.* (2000) describe the process of materials selection, design and construction used for small residential building in southern France, they found out that materials were resourced in situ in order to minimize the environmental impact of the new building, the process of materials selection, and the form construction are outlined. Mastura Jaafar (2000) attempts to improve the understanding of the determinants of housing satisfaction among the residents of Penang Development Corporation (PDC)'s development projects. Varady *et al.*, (2001) in their study of relocation of public housing's voucher recipients found that age was inversely related to housing satisfaction because according to the researchers, satisfaction levels were likely to have been suppressed by the difficulties associated with moving to a new and unfamiliar environment.

3. Statement of the Problem

The residential flat promoter services are vastly providing more different offers and opportunities to the buyers. The customers have to consider so many factors before and after purchasing the residential flat. The knowledge of different

factors affecting the buying behaviour and buying preferences of the consumers will provide to builders and developers to launch their residential apartment schemes and to understand the insight of buying satisfaction. Hence, promoters will be able to launch their housing schemes better and effectively. Keeping these in mind the research problem has been identified key factors affecting buyer satisfaction with residential flat in Coimbatore city.

4. Objectives of the Study

The objectives of the present study are:

1. To study the growth and development of residential flat promoter services.
2. To study the buyers behaviour towards the service quality of the residential flat promoters.
3. To offer valuable suggestions based on the problem of the present study.

5. Scope of the Study

The present study shows that the service quality and customers behavioral changes with residential flat in the Coimbatore city. The researcher has taken effort to provide clear details about the customers in the purchase of the residential flat in the selected city and perceived value of the customers about the service quality of the residential flat promoters. The researcher has taken this particular topic to finding out the post purchasers attitude and providing awareness about the residential flats in Coimbatore city.

6. Customers Purchase 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. In an experiment on the determinants of buyer aspirations and reservation prices of properties. The advantages and disadvantages in these factors create buyer's motivation or under evaluation in selecting 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. Number relates to the total evaluative criteria considered in a particular purchase decision-making process while importance concerns the influence that each criterion has in the comparison process.

The accuracy of the evaluation of product alternatives is situational. One situation is where product evaluative criteria do not have any impact on product choice due to the similarity of the levels of criteria between two competing alternatives. Situational factors also affect the importance of a certain evaluative criterion. Location, for example, can be considered as an important criterion if the time factor is ignored. Having compared all the evaluative criteria for each alternative, the buyer's priority against a particular alternative is formed based on the total utility derived from the attributes that form that alternative. A low level of total utility reflects a smaller degree of importance and vice versa. This forms the basis for assessing buyer's preference in choice of attributes of real estate products.

7. Customer Behaviour on Residential Flat Purchase

Customer behaviour has been an important research topic for decades. A review of existing theoretical efforts indicates a clear shift from rational to psychological and social decision factors. However, even the recent models have not managed to embrace all the knowledge in the field of customer behaviour: subconscious processes, the role of needs, goals and emotions (Bargh 2002) [2]. Apart from leaving out these important findings the existing literature also lacks studies of decisions that customers are most concerned about, termed 'big' or 'strategic decisions' (Bazerman 2001, Gronhaug, Kleppe, and Haukedal 1987). Specifically, Bazerman (2001) urges researchers to further explore the most important and challenging customer decisions, which include house purchases, dealing with a building contractor.

Strategic decision making refers to the process of decision making when buying strategically important goods. The purchase of a house may be considered as a good example of such a purchase decision. Strategic decisions are being made in a range of fields, including when customers decide about health issues (Henry 2001) or financial investments (Henry 2005). Service quality has become ever more important to improving customer satisfaction in the Indian real estate industry. The Indian real estate industry specially knows that customer satisfaction is one of the most vital factors that contribute in establishment reputation and credit in the customers view. The customers complained about poor service quality facilities direct effect on the level of service quality in the promoters.

8. Analysis and Interpretation

The present research study concentrates to discover customer perception level towards residential flat promoter services in Coimbatore city. The 400 sample respondents have been chosen and classified variables as below in Table-1.

Table 1: Demographic factor of the sample respondents

Variables	Particulars	Frequency	Percentage
Gender	Male	265	66.2
	Female	135	33.8
Age	Below 18 years	8	2.0
	18-30 years	172	43.0
	30 - 40 years	120	30.0
	Above 40 years	100	25.0
Marital Status	Single	36	9.0
	Married	364	91.0
Educational Qualification	Schooling	24	6.0
	Graduation	96	24.0
	Post-Graduation	104	26.0
	Professional Degree	160	40.0
	Others	16	4.0
Occupation	Student	12	3.0
	Employed	248	62.0
	Business	124	31.0
	Retired	16	4.0
Monthly Income	Below Rs.10,000	44	11.0
	Rs.10,001-30,000	216	54.0
	Rs.30,001-50,000	100	25.0
	Above Rs.50,000	40	10.0
No. of Members in Family	Below 2 Members	8	2.0
	2-4 Members	124	31.0
	4-5 Members	188	47.0
	Above 5 Members	80	20.0
No. of Earning Persons in Family	1 Person	16	4.0
	2 persons	132	33.0
	3 persons	108	27.0
	Above 3 persons	144	36.0
Year of Purchasing Flat	Below 2 years	52	13.0
	2-4 years	44	11.0
	4-5 years	224	56.0
	Above 5 years	80	20.0
Source of Finance	Own savings	52	13.0
	Loan from public sector banks	76	19.0
	Loan from private sector banks	112	28.0
	Loan from housing financial institutions	128	32.0
	Borrowed from friends and relatives	32	8.0
Total area of Residential flat	Below 1000 Sq. feet	52	13.0
	1000-1500Sq. feet	208	52.0
	Above 1500 Sq. feet	140	35.0
Source of Information	Real estate Brokers	56	14.0
	Direct contact	112	28.0
	Friends and relatives	160	40.0
	Advertisements	72	18.0
Total		400	100.0

Source: Primary Data

The above table-1 indicates that the sample respondents demographic factors in the present study. Here, the male respondents were highly purchasing the residential flats in Coimbatore city. The 18-30 years age category persons who have willingness to purchase he flats. The married persons were purchasing more flats and doing selling business after their settlement. The persons who have completed their professional degree, they purchasing the residential flats and the employed persons also included in this category. The monthly income is important one to purchase any source who have been earning Rs.10, 001-30,000 as an income. They are

purchasing the residential flats from their savings in Coimbatore city.

The 4-5 members having family persons were purchased more residential flats for their family. Mostly, there 3 persons who have been earning members in the family. From 4-5 years, they were purchasing residential flats for their investment and savings for their family members. The respondents who were getting loans from housing financial institutions for low interest rate. Mostly, they are purchasing minimum 1000-1500 square feet for build the residential flats. In this present study, the sample respondents buying a residential flat by their friend and relatives suggestions. The sample respondents have more purchasing power and planning for their future with more interest.

Table 2: Perception of the respondents on the quality of services offered by the residential flat promoters in Coimbatore city

Buyer Behaviour Level	No. of Respondents	Percentage
Poor	104	26.00
Fair	64	16.00
Good	232	58.00
Total	400	100

Source: Survey Data

In the present study, sample respondents were divided into three groups in accordance with their perception on the quality of services offered by the residential flat promoters in Coimbatore city. The above Table-2 reveals that out of the four hundred sample respondents, one hundred and four respondents (26.00%) have perception level on the services offered by these promoter as 'Poor', sixty four respondents (16.00%) have perception at the level as 'Fair' and the remaining two hundred and thirty two respondents (58.00%) have good level perception on the quality services offered by residential flat promoters in Coimbatore city.

Table 3: ANOVA – Changes in buyer behavioural level on quality service of residential flat promoter

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	688.578	3	229.526	3.190	.024
Within Groups	28493.183	396	71.952		
Total	29181.762	399			

The above ANOVA table-3 indicates that the residential flat promoter services are significant and it providing more changes in the buyer's behavioural level in Coimbatore city. The residential flat promoter services are chosen by the customers based on their income. The promoter service is changing the customers' needs and behaviour of the buyer in Coimbatore city.

9. 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 perception level was good towards purchasing residential flat in Coimbatore city. The promoters quality service is providing more satisfied to the buyers. In the purchase of residential apartments increases when the buyers income range increase in their life. Hence, the

residential flat promoters quality services which increases customers perception level and changing their behaviour to purchase more flats in Coimbatore city.

10. Reference

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