



## It's Raining Homes this Festive Season, says QuikrHomes Builder Survey

A survey of as many as 300 builders from metros highlighting the seasonal residential market trend in 2018.





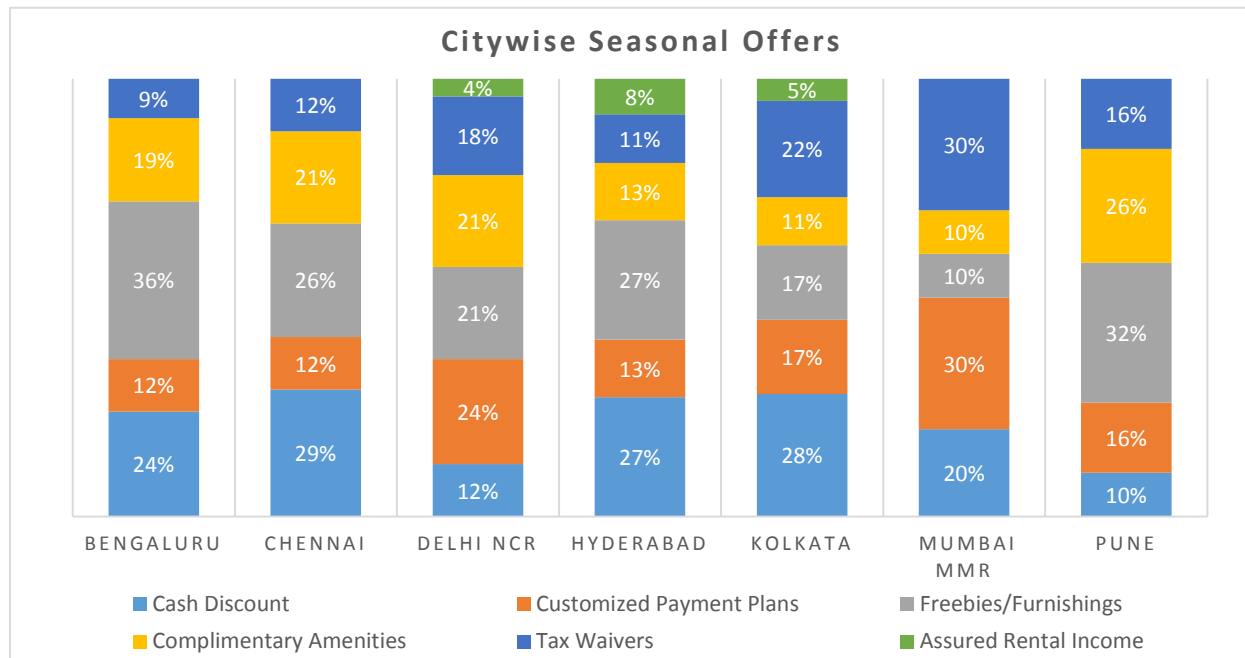
The real estate industry underwent some of the most promising policy reforms in 2016-17. The demand and supply of residential properties plummeted on the back of uncertainties surrounding RERA and GST. While 2017 saw turbulence in the real estate transactions across India, 2018 is witnessing the revival of buyer sentiments and positive outlook going forward.

RERA transformed the market from unstable to transparent and consumer-centric one. With improving awareness and trust on policies, sales volume have started gaining momentum across budget segments and property types. Backed by Government “Housing for All” Mission, the launch of Affordable Housing within the price range of INR 50 lac is highest since 2017. Ready-to-move properties are gaining popularity as a result of hassle-free proceedings without obstructions such as policy reforms, project delays, and insufficient funds.

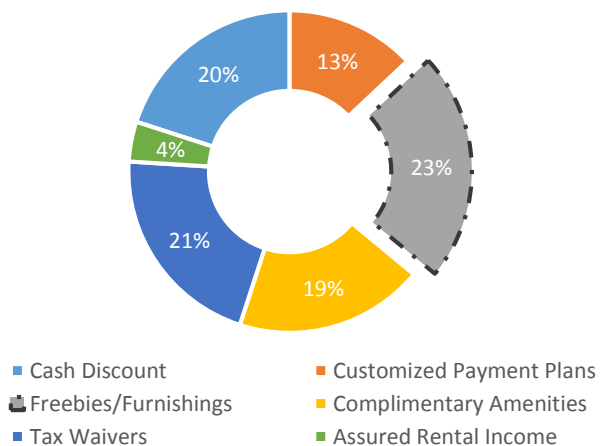
In real estate, the festive season starting from Navratri till Diwali is considered very auspicious for making property purchases. Developers flood the market with offers and discounts to entice buyers. Some of these offers are really spectacular and amount to a great deal of savings for the homebuyer. What makes the season special is not just the variety of offers but the extent to which many builders go to push sales. While the market is driven by buyer sentiments, one should remember that there are no free lunches and that the cost-benefit analysis is always worked out before such offers are announced.

In the backdrop of this, QuikrHomes conducted an extensive survey on Real Estate Seasonal Trends, where industry leaders were asked for their views on the current market and their strategic plans/offers for the upcoming festive season. We received an overwhelming response from as many as 300 builders from metros highlighting the seasonal market trend in 2018.

## Buyers to benefit from raining offers with the commencement of Indian festive season!



### Nationwide Seasonal Offers



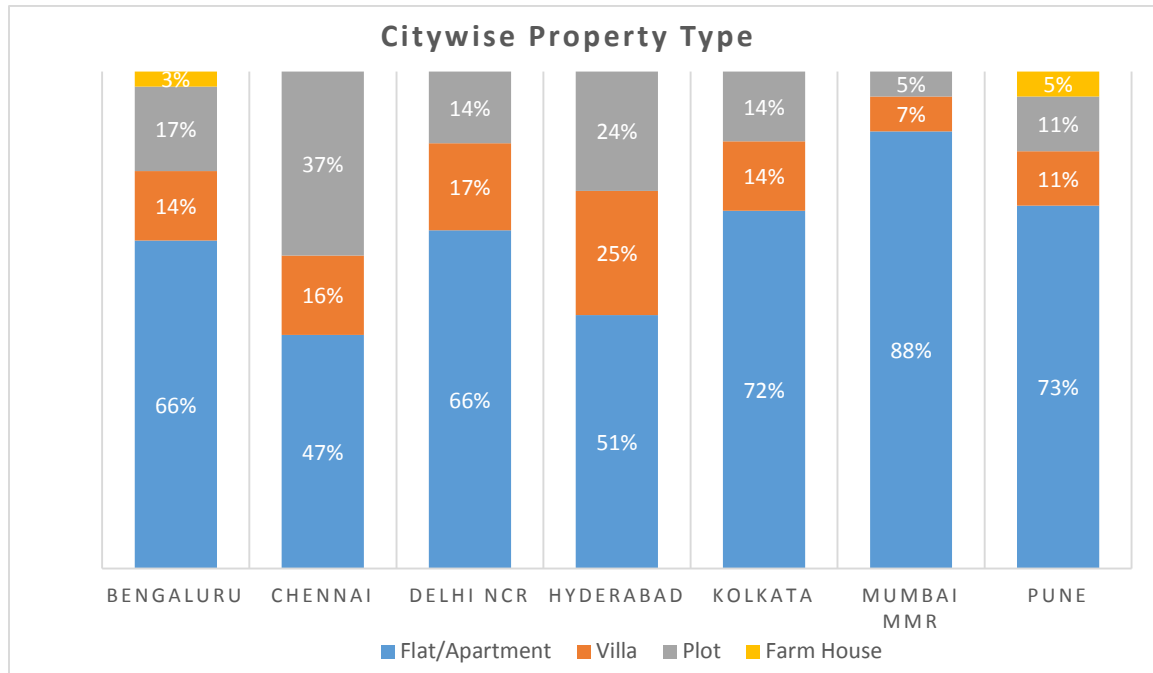
Top offers floated this festive season by builders are freebies/furnishings (**23%**) such as cars, bikes, ACs, TVs, holiday packages, etc. These durables will turn out to be an added advantage for investors who wish to rent out their properties as a furnished apartment fetches substantially higher rental as compared to a non-furnished one. However, these might not yield as much gains to an end-user as compared to a cash discount or waiver as the value of durables depreciates over time.

The second most floated offers are tax waivers (**21%**) including GST waiver, PLC exemption, and stamp duty waiver. Mumbai is the forerunner with around **30%** builders giving tax waivers on the

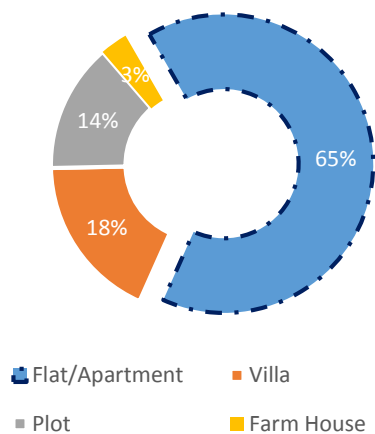
purchase. GST waiver could mean a substantial saving of 12% on purchase of under construction property which has not yet received occupancy certificate.

Some of the other offers include cash discount (**20%**), which could mean substantial savings for buyers, and complimentary amenities (**19%**) such as free parking, club membership, and free maintenance for a couple of years.

## Apartment launches are peaking across India!



### Nationwide Property Type

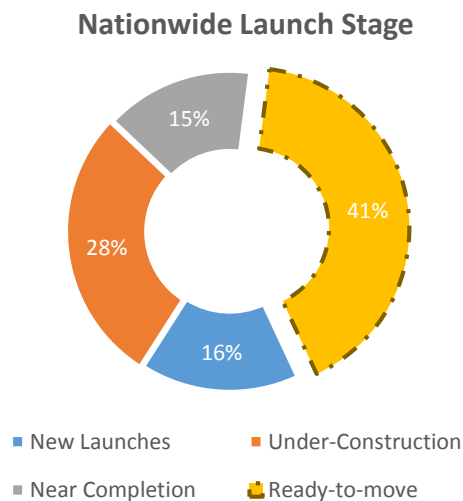
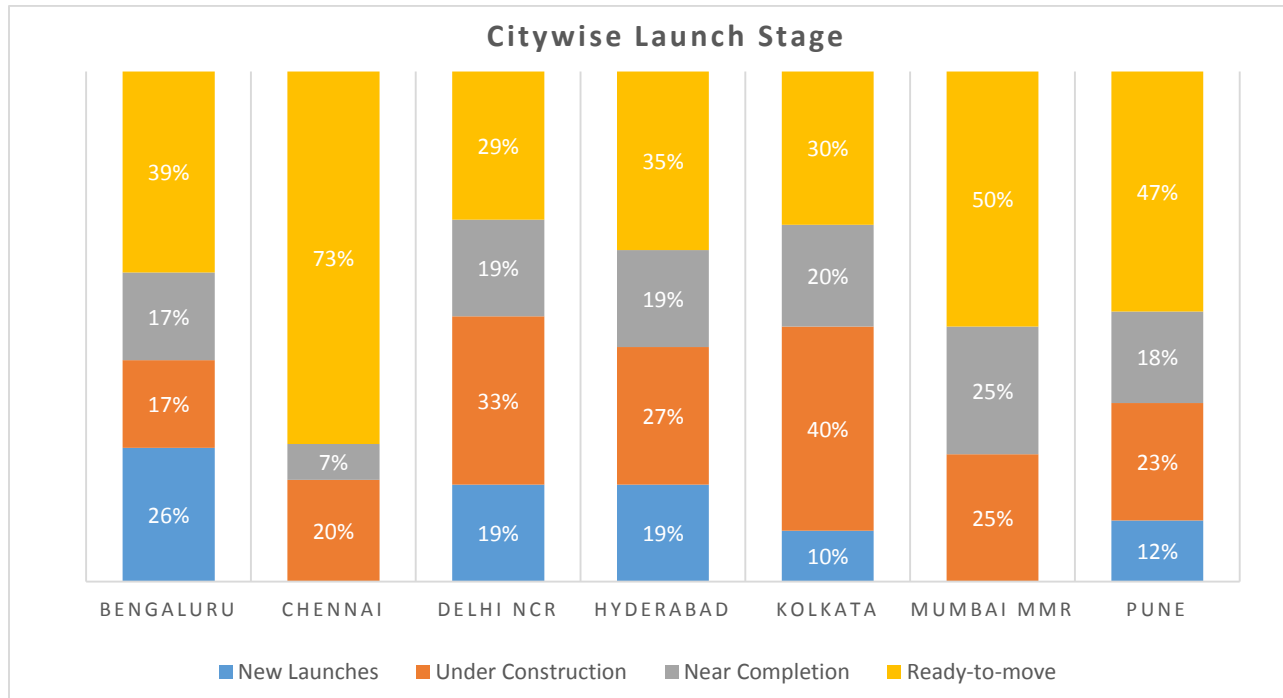


About **two-thirds** of builders across India are launching flats/apartments this festive season. The same is reflected in the city-wise trend with at least **50%** builders across all metros opting to launch flats over other property types.

As highlighted in QuikrHomes survey last year, flats were the most launched and desired property amongst builders and consumers respectively. As much as 45% builders had promised to launch flats as their next project. However, this survey topples it with **65%** builders launching flats this festive season. This indicates a significant hike in the launch of flats across India. A colossal **88%** builders in Mumbai MMR will deal in affordable flats this festive season with extensive cash discounts and tax waivers.

Meanwhile, more than **one-third** builders in Chennai are dealing in vacant plots this festive season with heavy cash discounts and referral benefits.

## Ready-to-move properties clubbed with festive offers are flying off the shelf!

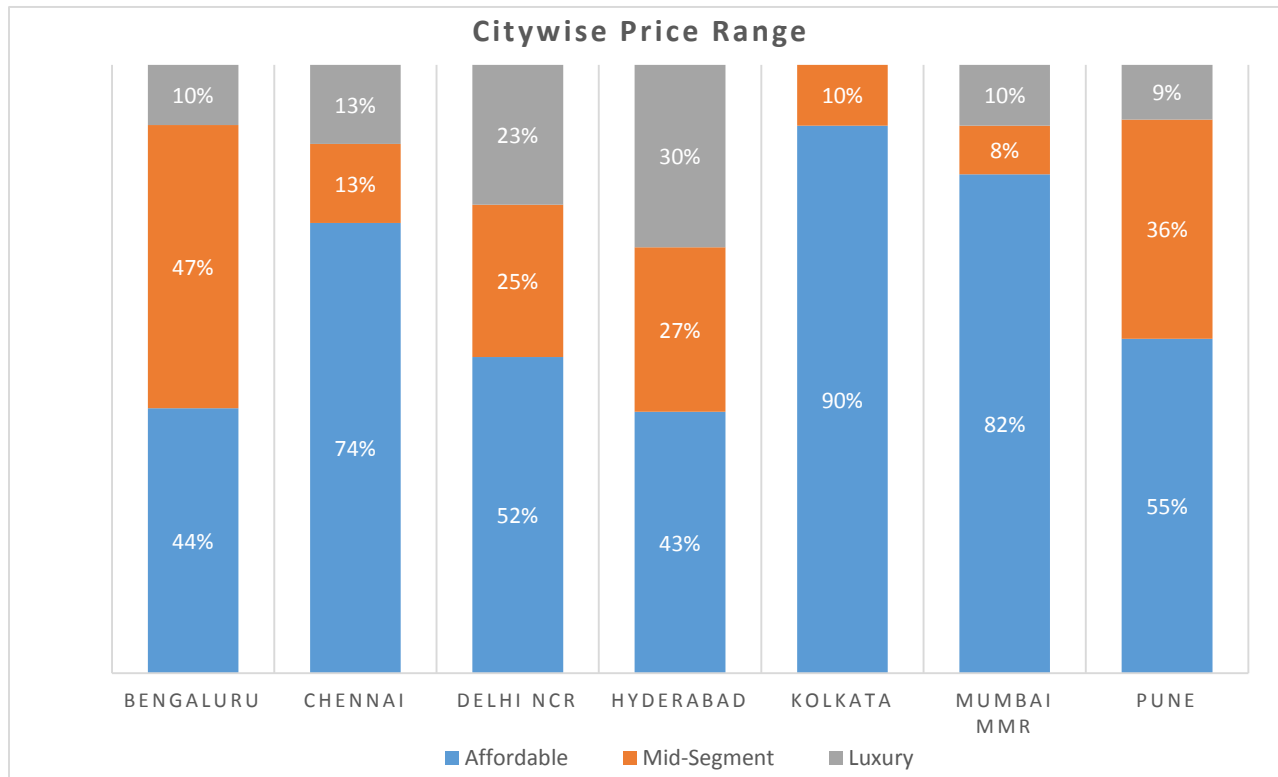


Buyers and more specifically end-users are greatly inclined towards purchasing ready-to-move properties due to lesser chances of hassle as compared to under-construction and newly launched properties.

**41%** builders across tier-I cities have responded that they would be pushing ready-to-move properties this festive season. This move is set to boost sales in the property market.

Chennai will have the most launches in ready-to-move properties, whereas Delhi NCR and Kolkata will have comparatively more launches in the under-construction segment.

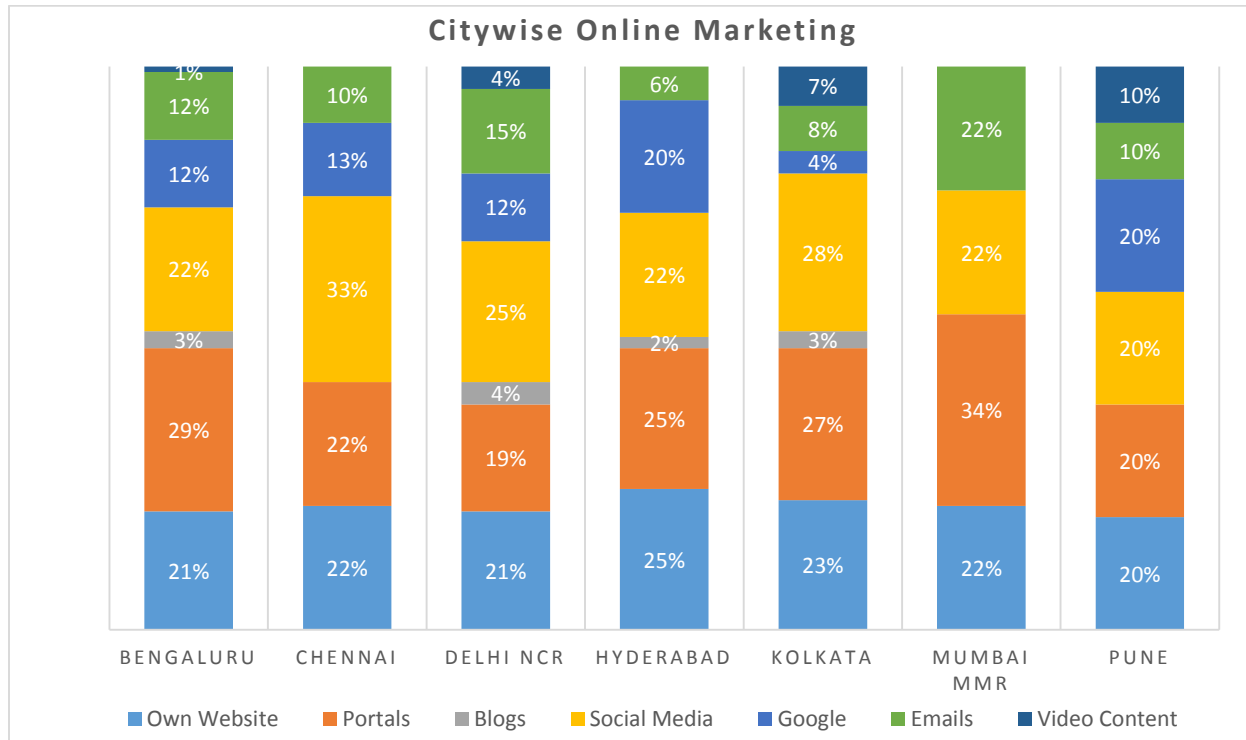
## Builders give a massive push to Affordable Housing!



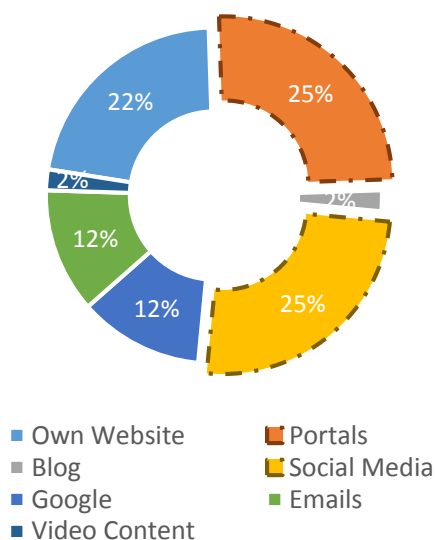
Post-announcement of infrastructure status to affordable housing, the builders expect it to sell like hot cakes in the real estate market. All tier-I cities except Bengaluru exhibit overwhelming inclination towards the launch of affordable units. The survey reveals that more than **50%** builders are launching affordable properties under 50 lakh this season, clubbed with heavy festive offers. Kolkata, Mumbai, and Chennai are the fore-runners with more than three-fourth respondents choosing affordable housing over luxury and mid-segment.

In QuikrHomes builder survey of 2017, 45% builders had intended to launch affordable housing as their next project. This survey reflects that sentiment, or even overshadows those numbers.

## Property portals and social media are builders' top choice for attracting clients online!



### Nationwide Online Marketing

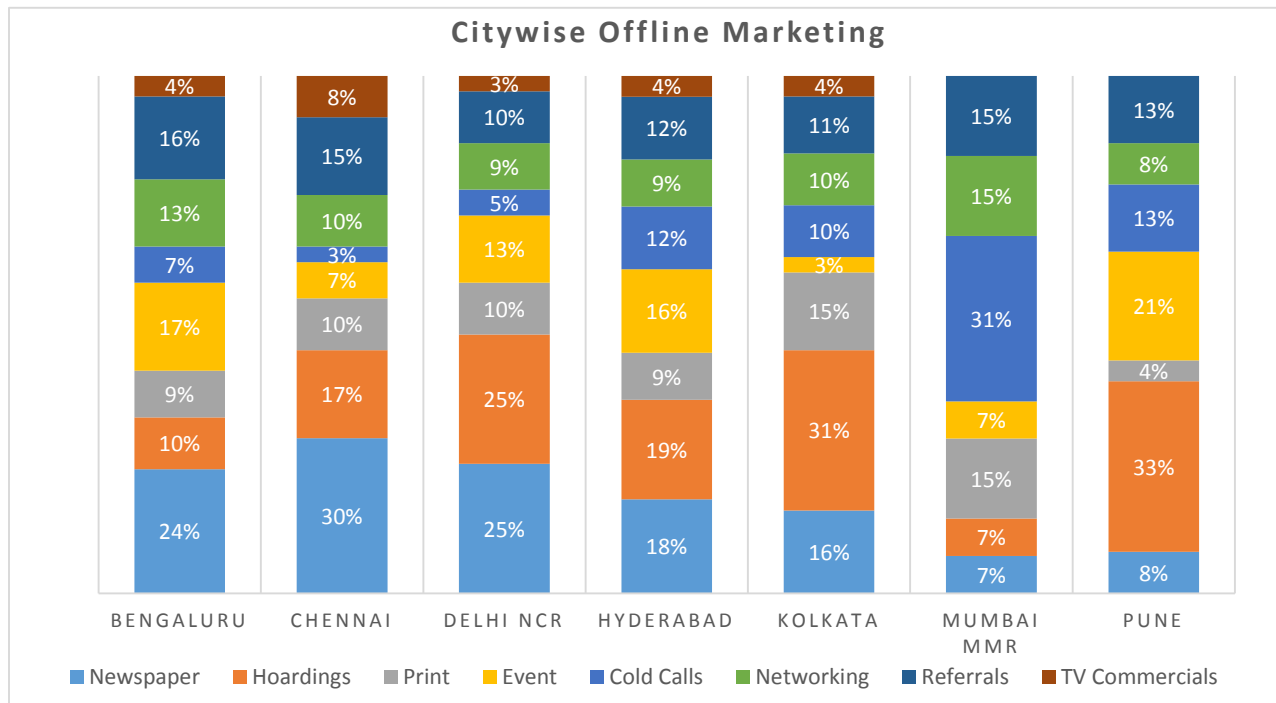


In the recent past, real estate operations have substantially transformed from being an offline-centric business to an online-centric business. Site visits have been replaced by online searches. Anyone with a smartphone or an internet connection can now search for properties with just a click of a button, without facing any hassle whatsoever. They are now emerging as a one-stop destination for not only buying property but also advice on getting finance and preparation of rental agreements.

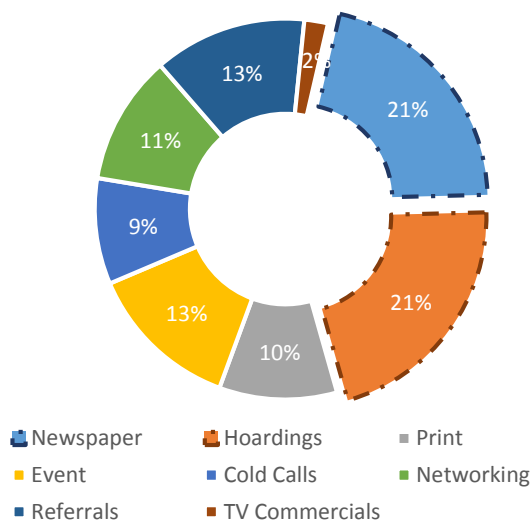
This survey highlights that among online marketing mediums, social media and property portals are builders' combined favourite with around **50%** builders opting them as their top choice for online marketing. Nowadays, most of the builders have their own website to showcase all their offerings with added customer

support. A significant **22%** respondents choose to market on their own website and thus create a brand of their products.

## Newspapers and hoardings share the top spot for offline marketing!



### Nationwide Offline Marketing



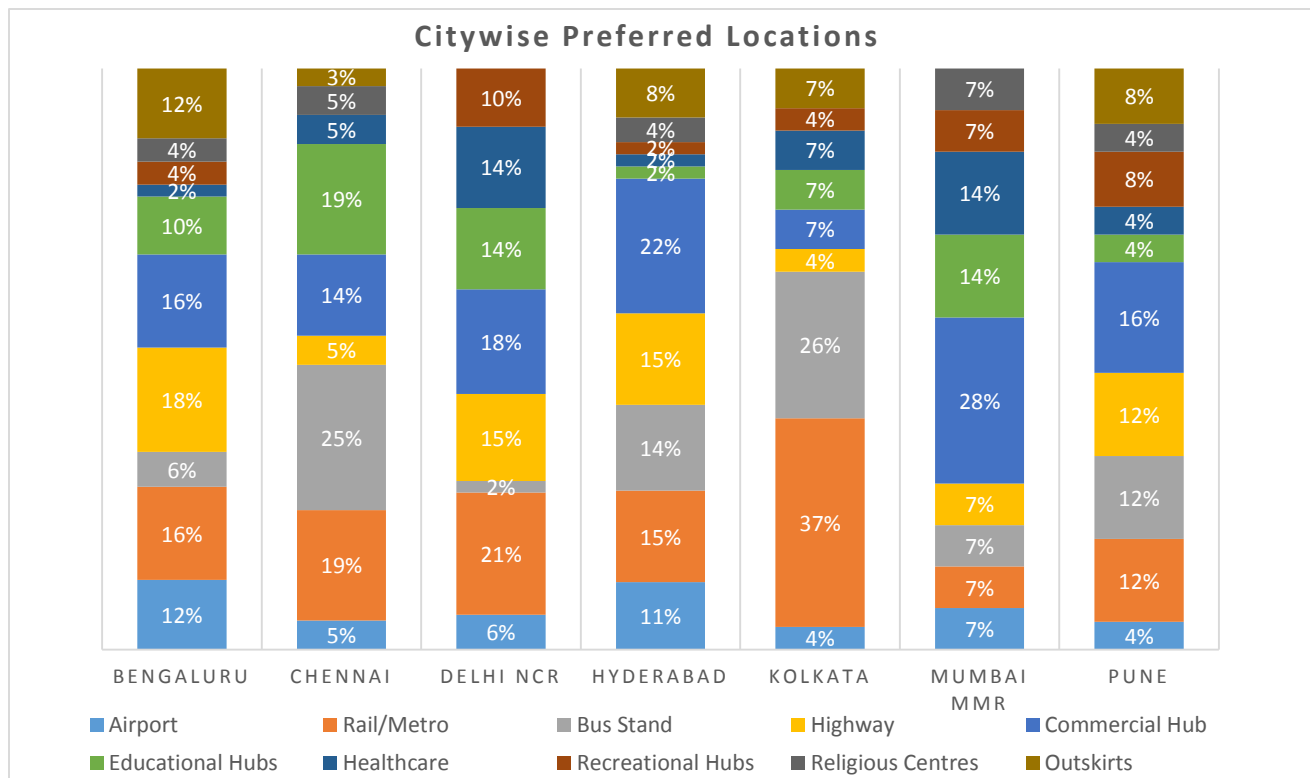
While online might be gaining popularity, offline mediums are a go-to for not so tech-savvy citizens and those who believe in touch and feel.

Newspapers and hoardings share the top spot, with **21%** builders opting for offline marketing given its market reach.

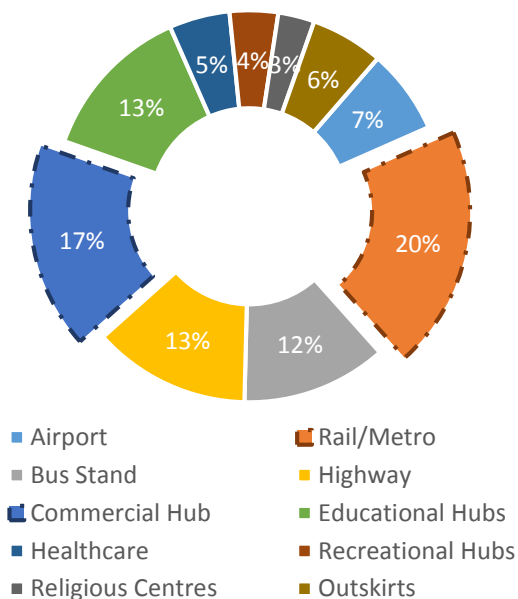
However, Mumbai MMR shows a different trend with **one-third** of the builders choosing to make cold calls (telecalling) to show that extra effort and grab buyers' attention.



## Projects near rail/metro and commercial hubs sell like hot cakes!



### Nationwide Preferred Locations



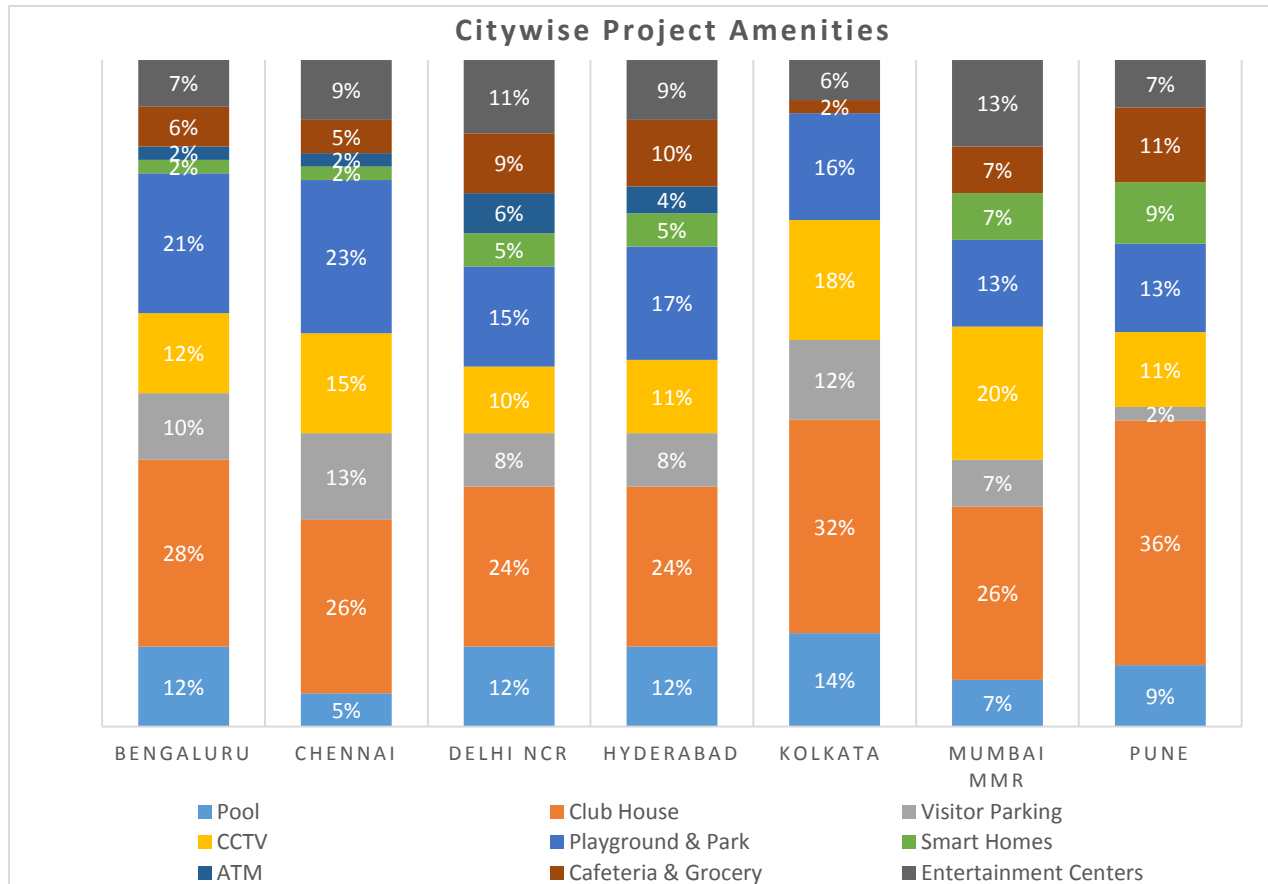
The location of a project plays an important role in making any real estate purchase. The buyer needs to be aware of the project's surrounding and choose a location keeping in mind his requirements, distance from the workplace, and mode of travel among others. This simple analysis can substantially prevent any inconvenience.

The most preferred launch location amongst the builder clan turns out to be railway stations and metros with **20%** builders prioritizing it over other locations. This is backed by traffic-free mass transit opportunities offered by rail/metro from suburbs, fringe areas and places with budget-friendly accommodations.

The second most popular launch location emerges to be commercial hubs (**17%**). This is due to the boom in the IT and services sector leading to the formation of IT Parks and SEZs. This ideology blossomed due

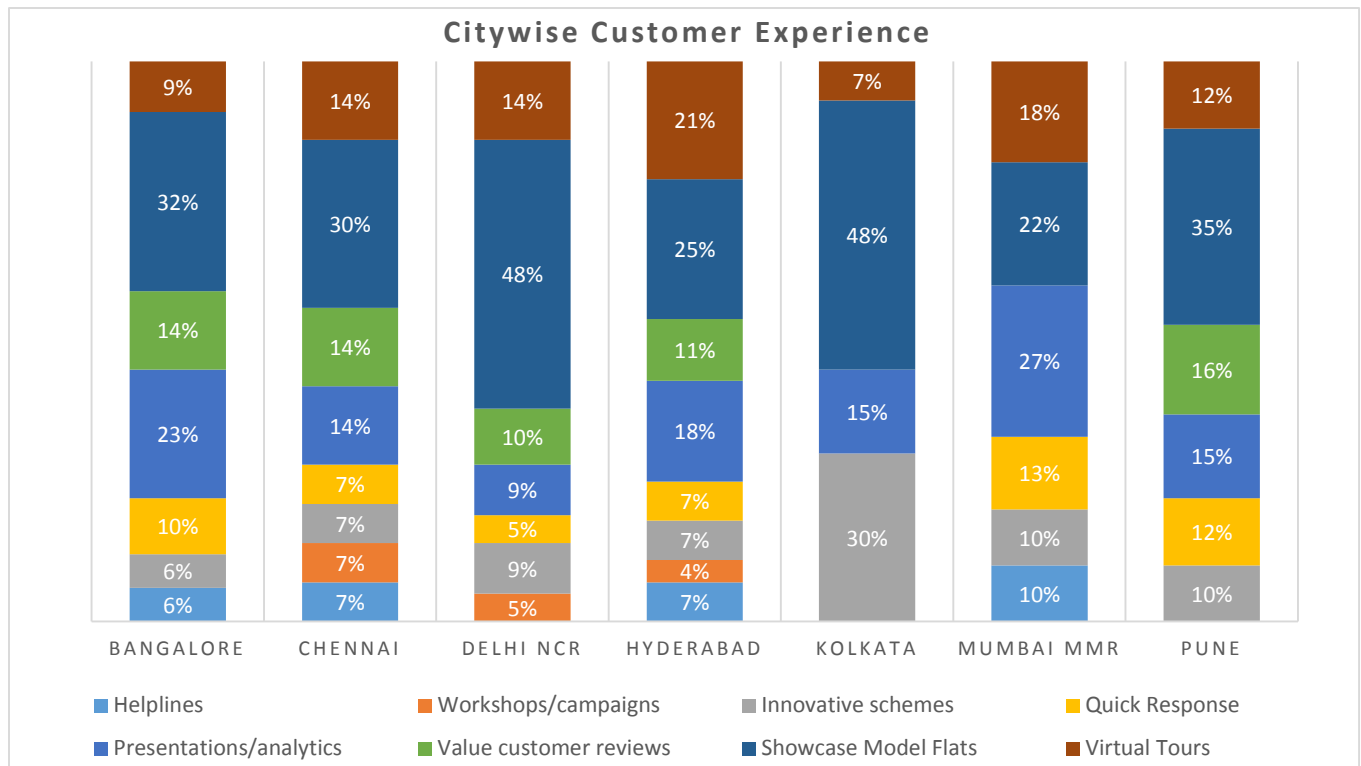
to the concept of Walk-to-Work which helps avoid unnecessary delays and hassles in road traffic.

## Project amenities seem to be attracting buyers!

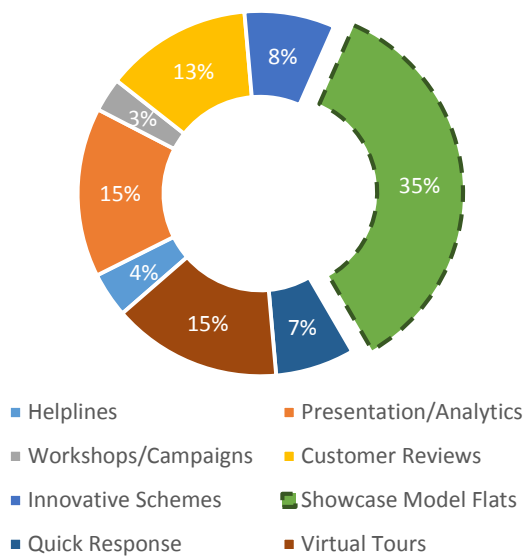


As per our survey, the clubhouse is the most popular amenity that builders are providing in their projects this festive season, with at least **25%** builders across metros choosing it as their top priority. One of the leading sentiments in a buyer's mind which eventually influences the decision-making is amenities for children. Playground & parks for children and CCTV surveillance are closely trailing behind with more than **15%** builders backing them as their top choice. These features ensure the safety of children and other residents in the building.

## Builders are revamping customer experience through model flats and creative presentations!



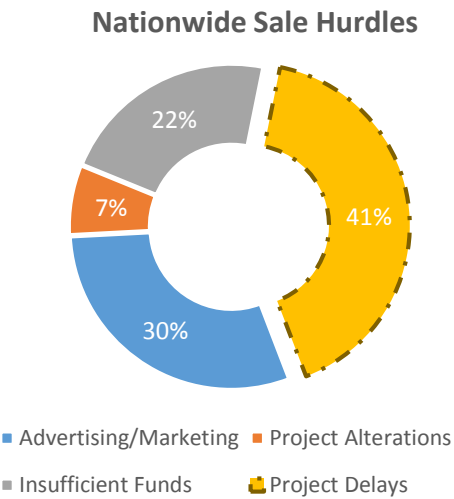
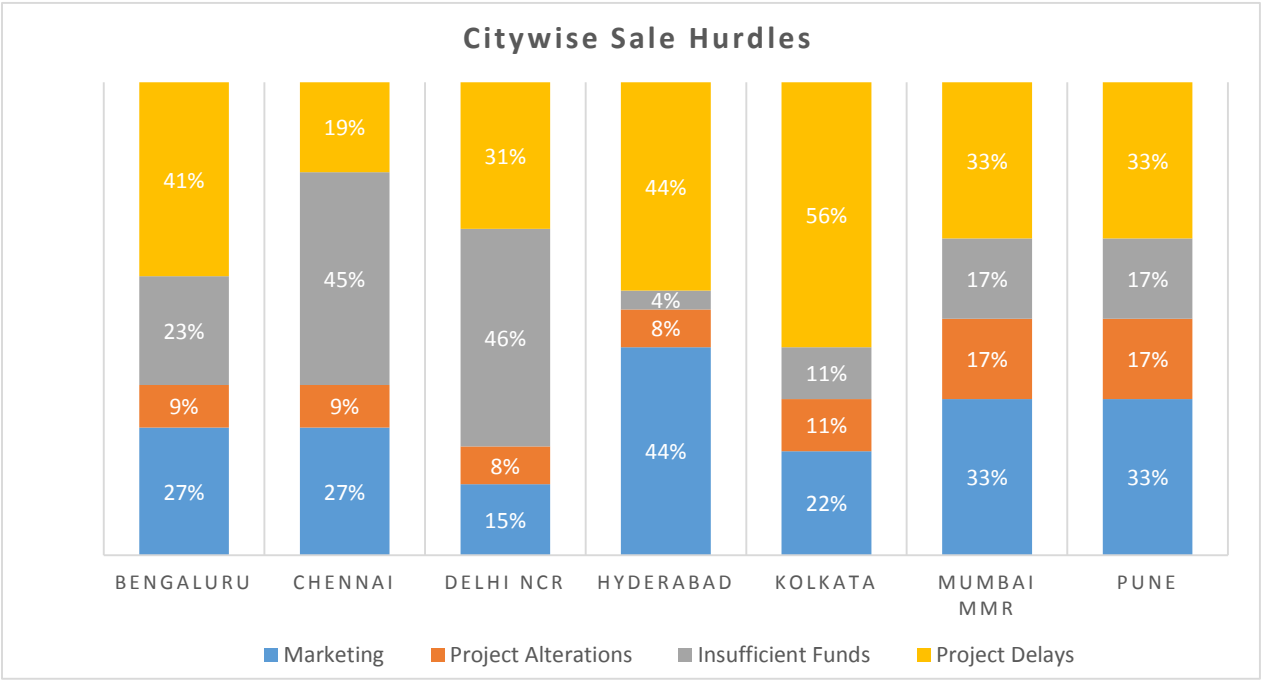
### Nationwide Customer Experience



The blend of social media and customer experience can work wonders for a builder as in this digital age, good customer reviews go a long way and can yield benefits for the builder in the long run. Therefore, fulfilling customer experience matters now more than ever as the decision to take that final leap into buying a house depends on it.

In our survey, we find that builders are more inclined towards showcasing model flats (35%) to paint a picture in the buyer's mind. In the case of under-construction projects, builders bank on virtual tours (15%) and presentations (15%) to create a wow factor that could eventually influence the buyer's decision-making process. Moreover, being professional, innovative, and responsive can greatly enhance business growth.

# Unnatural project delays are the biggest hurdle for builders!



Unsuccessful and untimely completion of a project can cost the builder his brand value and can incur huge costs. About **41%** builders believe that project delay is the biggest hurdle. Reasons that lead to project delays are strikes, site accidents, policy reforms, lack of resources, and incompetence. Post RERA, developers and promoters are penalized in case they fail to successfully deliver the project on time, which can lead to immense losses and at times insolvency.

Other than project delays, builders consider marketing (**30%**) as their next biggest hurdle towards success. If the builder fails to effectively market to the right audience, his overhang inventory will accumulate leading to huge debts.

QuikrHomes is India's leading digital real estate business. We have the largest and most comprehensive list of detailed real estate sales and rental options covering all cities and budget categories.

In the highly volatile and scattered Indian real estate market it is quite challenging to understand the dynamics and make profitable investments. We help investors to take informed decision backed by real time data. We capture real estate data across India and also update historical data of supply & absorption in top cities. To ensure the most up-to-date and detailed data availability, our dedicated team/analysts monitor property activity from a number of sources, including developers and property brokers, real estate forums and property listings, as well as our own intensive research.

Our research services give clients the tools to review & analyze markets and realty insights that support successful investment strategies. The solutions we provide always cater to our clients' needs as we ensure that all captured data and all customized reports undergo thorough due diligence by our in-house audit team.

### **Services Provided**

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