



A Study on Consumer Perception and Decision-Making Behaviour in the Real Estate Sector

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Abstract – The real estate sector has experienced significant growth in recent years due to rapid urbanization, increasing income levels, and changing consumer lifestyles. Consumer buying behaviour in the real estate industry is influenced by several factors including location, pricing, amenities, developer reputation, transparency, financing options, and digital marketing. This research study examines the perception and decision-making behaviour of consumers in the real estate sector. Primary data was collected through a structured questionnaire from 100 respondents. The study analyzes consumer preferences, important buying factors, and the influence of transparency and digital communication on purchase decisions. The findings indicate that location and pricing are the most important factors influencing property purchases. Buyers also prefer developers with good credibility and transparent communication. The study concludes that customer-centric services and effective marketing strategies are essential for improving consumer trust and increasing sales in the real estate market.

Keywords – Consumer Behaviour, Real Estate, Purchase Decision, Transparency, Developer Credibility, Customer Satisfaction.

I. INTRODUCTION

The real estate sector plays an important role in the economic development of a country. It contributes significantly to employment generation, infrastructure development, and investment opportunities. In India, rapid urbanization and increasing demand for residential properties have transformed the real estate market. Consumers today are more aware, informed, and selective while purchasing properties.

Consumer perception in the real estate sector is influenced by multiple factors such as property location, pricing, project amenities, financing options, legal documentation, and the reputation of developers. With the increasing use of the internet and digital platforms, buyers now conduct detailed research online before making property-related decisions.

The decision-making process in real estate is more complex compared to other industries because purchasing property involves high financial investment and long-term commitment. Therefore, understanding consumer behaviour has become essential for real estate companies to improve customer satisfaction and maintain competitive advantage.

OBJECTIVES OF THE STUDY

- To study consumer perception towards the real estate sector.
- To identify the major factors influencing property purchase decisions.
- To understand consumer preferences regarding residential properties.
- To analyze the importance of transparency and trust in real estate transactions.
- To suggest strategies for improving customer satisfaction in the real estate sector.

II. REVIEW OF LITERATURE

Kotler and Keller (2022) explained that customer satisfaction and trust strongly influence consumer buying behaviour in service industries including real estate.

Sharma and Verma (2023) found that location and pricing are the most important factors affecting residential property purchase decisions.

Gupta and Singh (2024) highlighted the growing role of digital marketing and online reviews in influencing customer decisions in the housing market.

Patil and Deshmukh (2023) identified that transparency and proper legal documentation improve consumer trust and increase purchase intention.

Rao and Kulkarni (2024) observed that home loan availability and financing options positively affect consumer buying behaviour in real estate.

III. RESEARCH METHODOLOGY

Particular Description

Research Design Descriptive Research Design

Sources of Data Primary and Secondary Data

Sampling Method Convenience Sampling

Sample Size 100 Respondents

Data Collection Tool Structured Questionnaire

Tools for Analysis Percentage Analysis, Tables and Charts

DATA ANALYSIS & INTERPRETATION

Analysis 1: Age-wise Distribution of Respondents



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Below 25	20	20%
25–35	40	40%
36–45	24	24%
Above 45	16	16%

Interpretation: The majority of respondents belong to the 25–35 age group, indicating active property interest among young professionals.

Analysis 2: Factors Influencing Purchase Decision

Location	30
Price	24
Brand Reputation	20
Amenities	16
Developer Credibility	10

Interpretation: Location and price are the most important factors influencing property purchase decisions.

Analysis 3: Importance of Transparency

Very Important	58
Important	28
Neutral	10
Not Important	4

Interpretation: Most respondents consider transparency and proper legal documentation highly important before purchasing property.

Analysis 4: Preferred Property Type

1 RK	12
1 BHK	28
2 BHK	46
3 BHK	14

Interpretation: A majority of respondents prefer 2 BHK apartments due to affordability and family requirements.

Analysis 5: Mode of Payment

Home Loan	62
Self Finance	24
Joint Finance	14

Interpretation: Most buyers prefer home loans as the primary mode of payment while purchasing properties.

Findings

- Consumers prefer properties located in well-developed areas with better infrastructure.
- Price and budget are the primary deciding factors for property purchases.
- Developer reputation and project transparency significantly influence buyer trust.
- Digital marketing and online property platforms influence consumer decisions.
- Home loan availability increases purchase intention among consumers.

SUGGESTIONS

- Real estate companies should focus on transparent communication and legal clarity.
- Developers should improve digital marketing strategies to attract modern consumers.
- Affordable pricing and flexible financing options should be provided.
- Customer relationship management should be strengthened to improve trust and satisfaction.
- Builders should focus on quality amenities and infrastructure development.

IV. CONCLUSION

The study concludes that consumer perception and decision-making behaviour in the real estate sector are influenced by economic, social, and psychological factors. Location, pricing, transparency, and developer credibility are the most important aspects affecting consumer decisions. The increasing use of digital platforms has also changed the way consumers search and evaluate properties. Real estate companies should therefore focus on customer satisfaction, transparent business practices, and effective digital communication strategies to improve buyer confidence and strengthen their market position.

V. REFERENCES

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