ABSTRACT

Real estate and Marketing share a close relationship. Real estate is a fundamental asset of an economy and hence optimisation of its use is of paramount importance. The concept of Marketing seeks to optimise the use of real estate through maximising consumer satisfaction. Despite the inter-relatedness of these two disciplines, comparatively few writings have been devoted to the subject of Real Estate Marketing. This study is therefore initiated by the general lack of research in this critically important subject area.

The unique characteristics of the real estate product and market are many which sets it apart from general goods and services. Examples include heterogeneity, existence of sub-markets, scarcity, immobility and real estate cycles. These anomalies of real estate have vital bearings on the buyers' expectations and sellers' promotion objectives. As such, marketing strategy formulated to market any type of real estate must take into consideration these factors. Condominiums, which fall under the classification of residential real estate also exhibit these peculiar characteristics.

The theoretical analysis of the expectations of condominium buyers and the promotion objectives of sellers during a market downturn suggests the use of promotion tools in the following sequence of importance:

Personal Selling 1  Public Relations 2  Advertising 3  Sales Promotion 4

The empirical findings, however show that the local developers adopt a different strategy. Advertising and Sales Promotion are the main promotion tools used by the local developers in a soft market. This contradiction is not unexpected. There exist many other factors that can affect the overall promotion strategy. One example is the company's philosophy. The promotion strategy reported by the respondents of the survey represents a short term measure to combat the property oversupply whereas the proposed promotion strategy of this study suggests a long term solution.

This study attempts to contribute to the understanding of marketing new condominiums based on the analysis of the product and market characteristics. The findings clearly show that there are many factors which influence the formulation of the promotion strategy and that there are different strategies for different demand situations.