The Asian currency crisis in 1997 triggered an economic downturn in Singapore and this has resulted in a property market glut. In the current downward trend of the real estate cycle, it is crucial for developers to obtain the right marketing mix (particularly with respect to pricing) to cushion themselves against the glut.

The property market glut is especially of concern for the 99-year leasehold private residential non-landed properties as there is currently an excess supply and many have similar product-facilities resulting in keen competition. With intense competition, the developers have adopted a range of aggressive price-related marketing promotional tactics, even to the extent of incurring losses in the spate of price wars over the last quarter of 1997.

This study sets out to analyse the effects of launch price and the various forms of pricing tactics (price discounts, absorption of stamp duty and deferred payment schemes) on sales. It seeks to test whether price is an important determinant of sales for 99-year leasehold private residential non-landed properties in the current oversupply environment and regional economic uncertainty.

From the t-test statistical analyses, it appears that only pricing strategy (launch price) has a significant impact on percentage sales. The results of the multiple regression also support the findings of the t-test statistical analyses.

The findings suggest that the developers would be better off concentrating their pricing strategy to set effective launch prices. In cases where a combination of pricing tactics is used, the developers need to understand that effective pricing has to meet the objectives and goals of the firms. All pricing tactics eventually translate to a difference in the final sale price as they affect buyers' decision-making process.