

**POST- COVID**  
**BUYER'S**  
Attitude and Sentiment Survey

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A Market Research Study by 360 Realtors

# Introduction



**Ankit Kansal**  
Founder & MD, 360 Realtors

Indian Real Estate, which constitutes around 8% of the national GDP, has not remained unscathed from the COVID-triggered crisis.

Poor economic activities and slowdown in businesses have weighed on the investment in the USD 180 billion housing market in India.

During lockdown sales activities have plummeted by around 60% in most of the major cities, despite the industry showing some resilience through spurred digitization.

Following 3 months of the suspension of the lockdown; stable property prices, low home loan rates, and attractive payment plans are bringing some buying boosts in the industry.

However, the fallout from the poor economic environment will continue to affect the industry.

To further scrutinize the emerging trends and understand the pulse of the current market, we have conducted a buyer sentiment & attitude survey. The survey has rendered some valuable insights on what potential homebuyers in India feel about the industry.

The exhaustive online survey is based on the response of over 3,000 respondents spread around major parts of India- NCR, Mumbai, Hyderabad, Pune, Bangalore, Lucknow, Patna & many more.

A sizable part of NRIs from GCC & Singapore has also participated in the 360 Realtors' consumer sentiment and attitude survey.

Besides yielding overall market trends, the survey results also comprise detailed granular analysis on preferred property types, budget brackets, marketing mediums, and much more.

It will be useful for buyers, sellers, developers, brokerages, regulatory bodies, etc., who would like to know more about how the market is evolving in a post-COVID world.

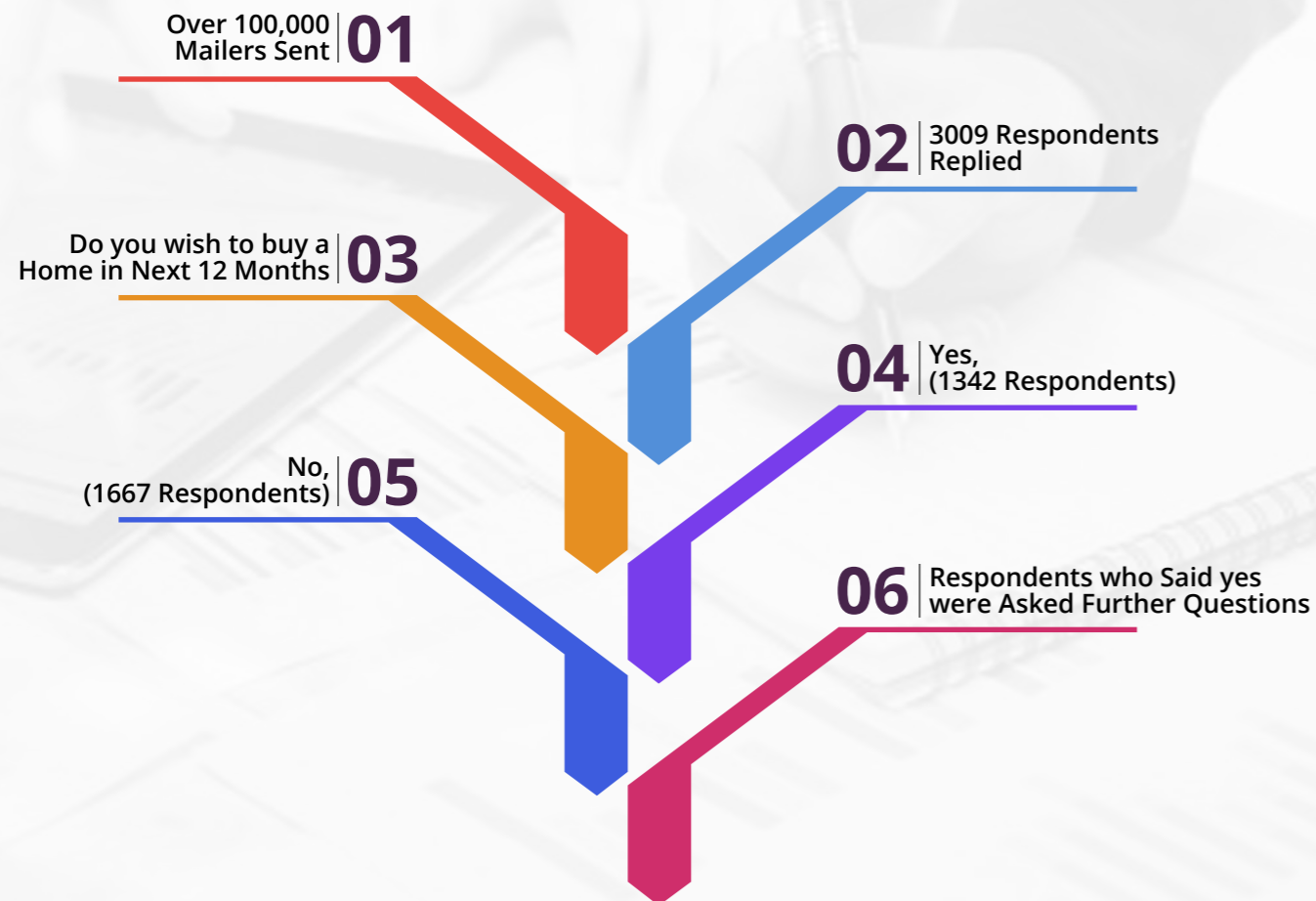
On behalf of the 360 Realtors Team, we hope you enjoy reading the survey report. Feel free to share your valuable suggestions and feedback.

# Buyer's Attitude & Sentiment Survey

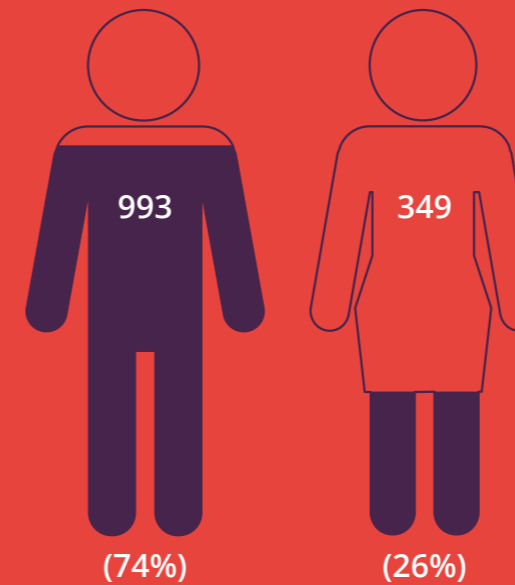
## Research Methodology

The 360 Realtors consumer sentiment survey is based on online market research of respondents spread across numerous Indian cities such as-NCR, Mumbai, Bangalore, Pune, Chennai, Lucknow, NRI Markets and other locations. An online survey was mailed to various databases in India and the NRI market.

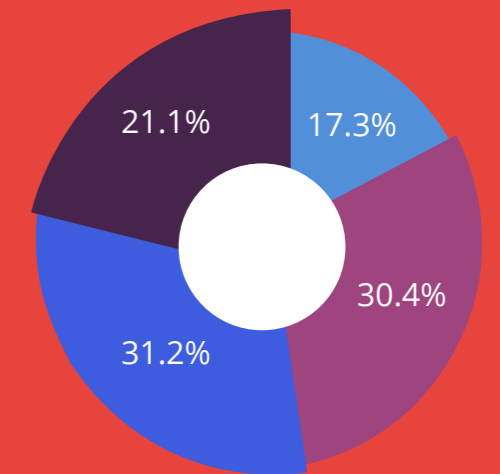
Out of this, 3009 respondents responded. The respondents were asked whether they would wish to buy a home in the next 12 months. 44.6% (1342 respondents) replied in a "Yes". This dataset was further analyzed through a detailed questionnaire to learn more about home buying sentiments.



Respondents Demography



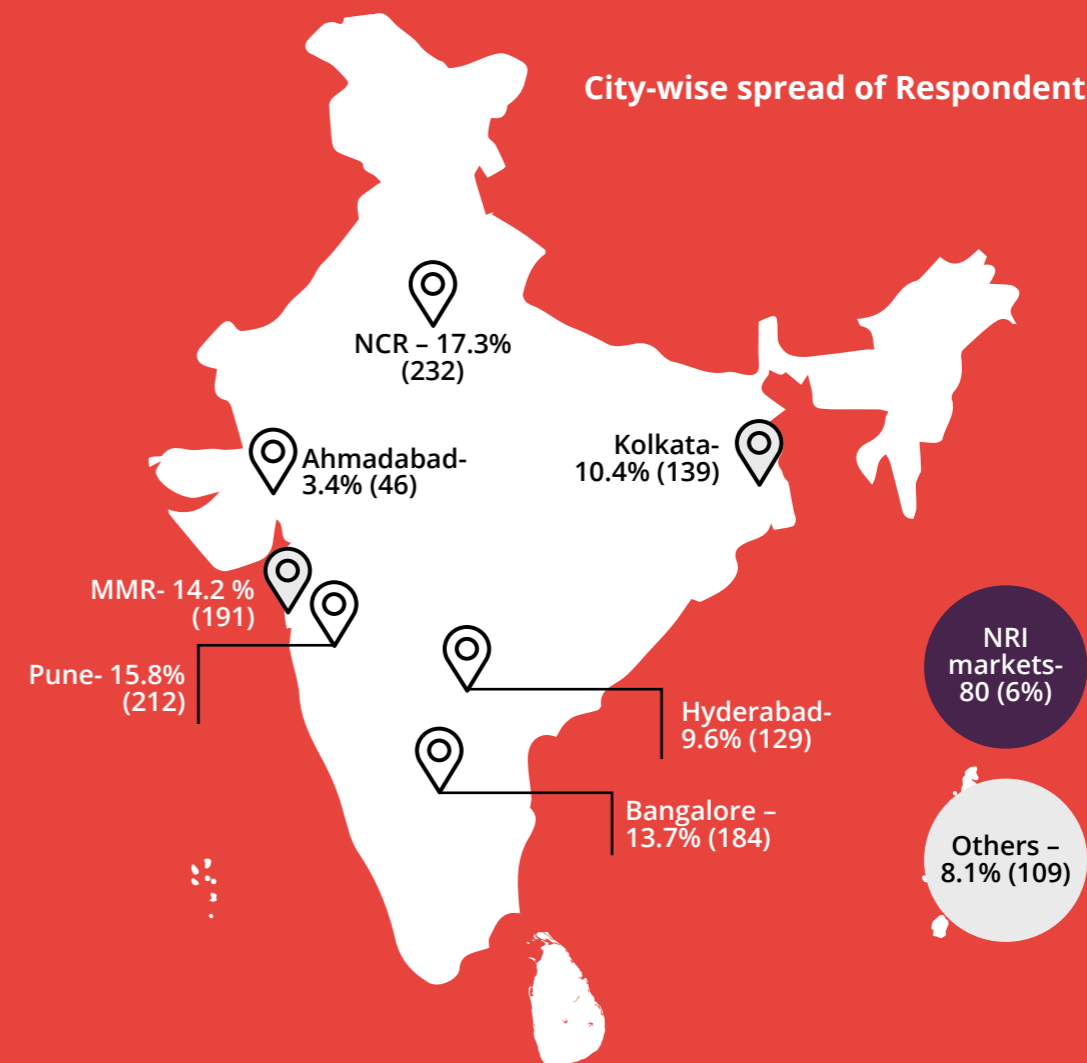
Age-wise split of Respondents



Male Female

20-29 29-39 39-49 50 & ABOVE

City-wise spread of Respondents



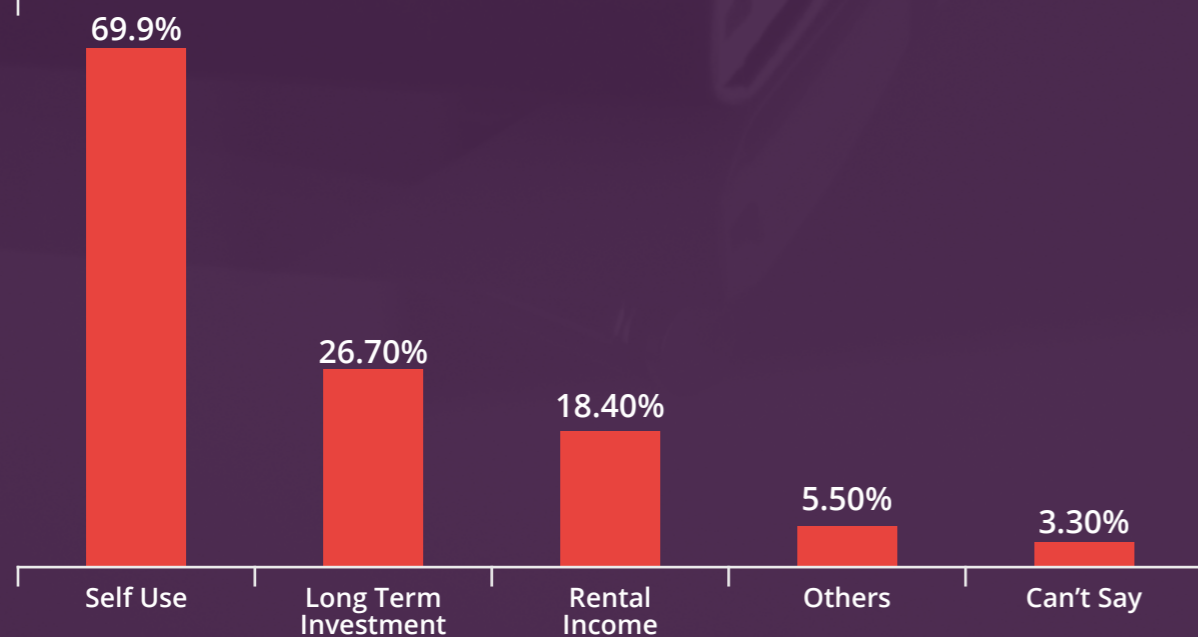
# Purpose of Investments

As per the 360 Realtors' survey, 70% of the respondents want to buy a home for self-use. This is an ongoing trend as the current crisis has reinforced the idea of owning a home. Interestingly, buyers are also looking for long-term investment and parallel rental income.

Interestingly, one emergent trend that is going to offset the recent drag in demand is the rise of liquidity especially amongst higher middle-income households in cities such as Bangalore, Pune, and NCR.

Due to COVID, households are no more spending on international trips, eating out, shopping & festivals, and regular weekend getaways. As a result on average, households are having INR 6-8 lacs of buffer liquidity with them, which can be spent on Real Estate backed by a good payment plan.

There are plenty of attractive payment plans such as 10:90, 20:80, 5:95 etc. in the market which will further fuel demand.



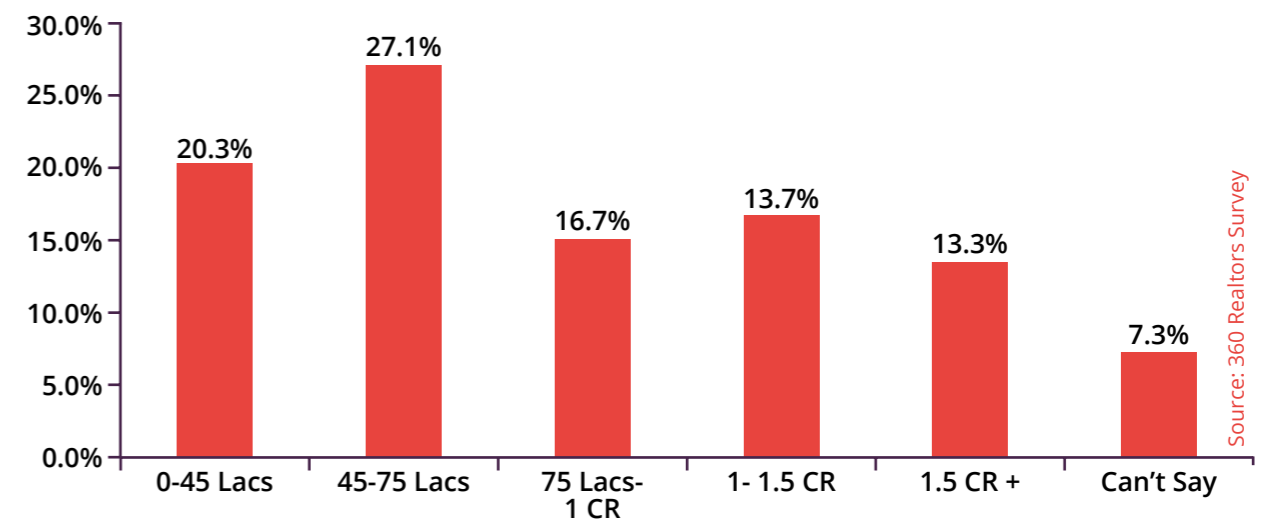
Source: 360 Realtors' Survey | Respondents were asked to click more than one option, if it applies.

# Ticket Size Analysis

The survey demonstrates an analogous interest in various ticket sizes. Slightly over a fifth of the respondents implied buying budget/affordable properties.

Besides affordable homes, in cities such as Pune and Noida, there is a growing interest among bachelors and couples towards independent studio apartments. Mid-income homes are also witnessing an ample amount of interest.

Interestingly, post-COVID, an otherwise immobile luxury segment is seeing a surge in demand. Major developers such as Emaar, Sobha, Godrej Properties, Mahindra Life spaces, Prestige, Purvankara, etc. have seen a jump in their inventory turnaround of high-end properties.



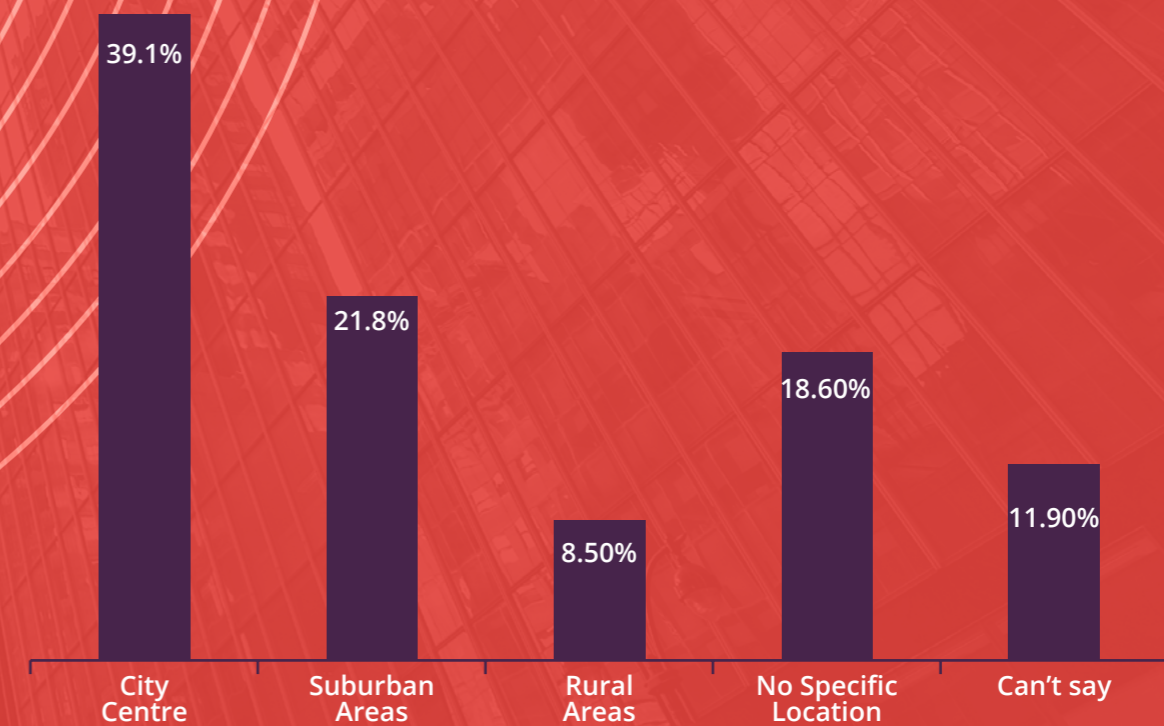
Source: 360 Realtors Survey

# Locational Preference Analysis

As per the sentiment survey, 39% of the respondents would still prefer to own a home in the city centre. 22% of the respondents have expressed their interest to buy a home in suburban areas.

In a post-COVID world, many buyers will shed their inhibition for peripheral areas and prefer larger sized homes (at affordable prices) in suburbs. A rising Work from Home (WFH) and flexible work culture will drive the trend.

However, the city centres will continue to retain their dominance. Little less than 19% of the respondents have shown their neutrality towards the location factor.



Source: 360 Realtors' Survey

# Preference for Property Types

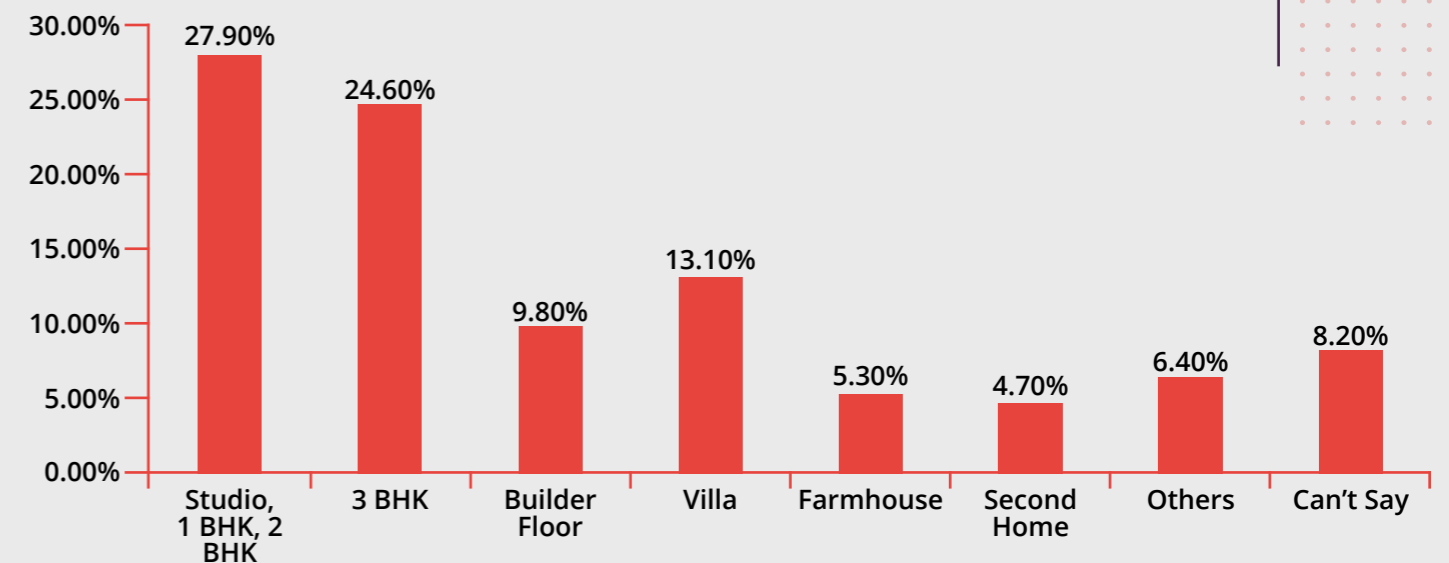
Interesting trends are emerging in terms of types of properties, buyers are interested in.

Earlier, relatively smaller units such as 1 & 2 BHK used to feature high on the wishlist in contrast to bigger units. However, a little less than a quarter has shown interest to own a 3 BHK or larger unit in the survey suggesting a major change in buyers' preferences.

Due to the Work from Home (WFH) culture, now buyers are planning to own a larger space that can render a better living with more leisure & entertainment facilities. Hence, 3 BHK & other larger-sized houses will continue to draw buyers' attention.



The incremental rise in interest is also visible in independent villas, second homes, and independent farmhouse livings in the wake of the current crisis.



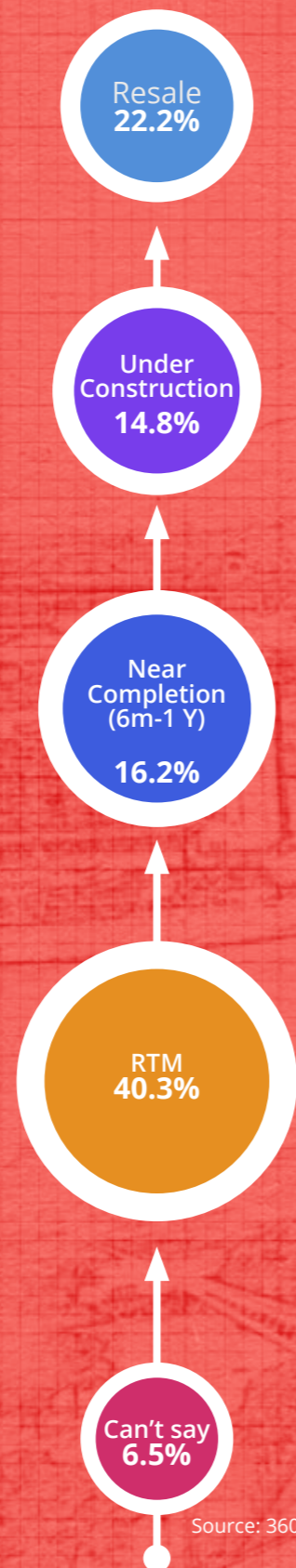
Source: 360 Realtors' Survey

# Choice of Stage of Construction

In the 360 Realtors' buyer sentiment survey, 40% of the respondents have indicated their preference for Ready to Move (RTM) properties.

One sixth of the respondents' would prefer properties which are near completion (6 months- 1 Year). Less than 15% would prefer under-construction properties.

There is also growing interest towards resale projects. As buyers are trying to decouple from the market risk, it is natural that preferences will be more concentrated towards RTMs and resale projects.



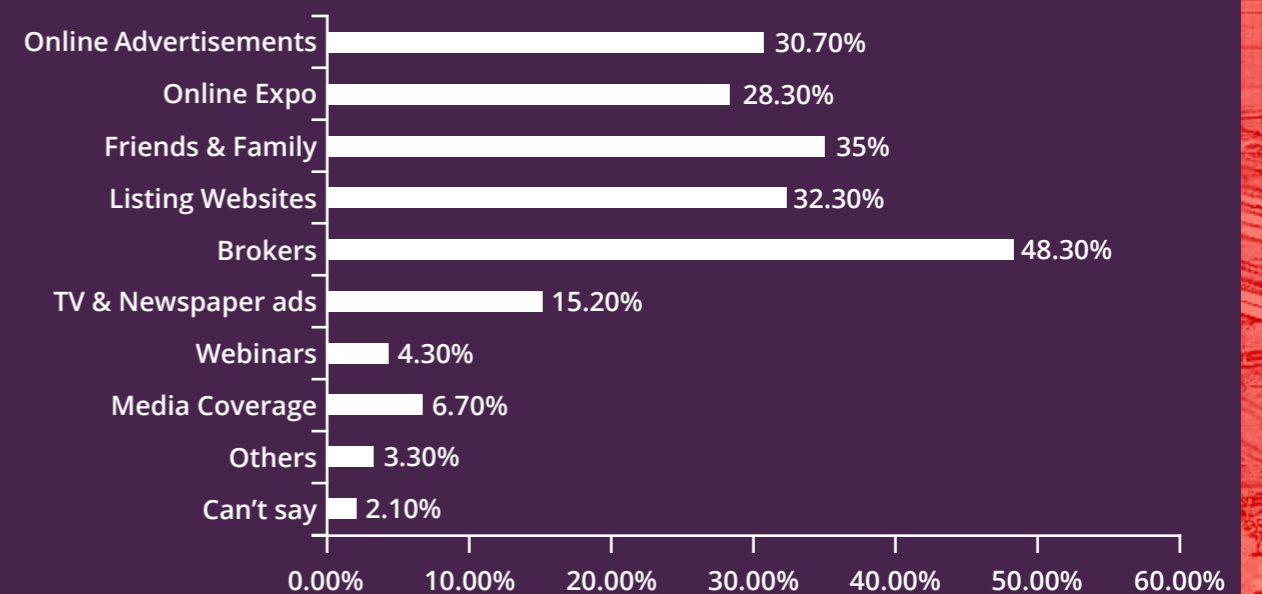
Source: 360 Realtors' Survey

# Preferred Source (s) of Home Information

The growing influence of digitization & technology is visible amongst Indian home buyers. Little less than 30% of the respondents believe in the growing influence of online expos to offer valuable information to discerning homebuyers.

A similar volume of respondents has suggested online advertisements as an important source to learn more about real estate offers in the market.

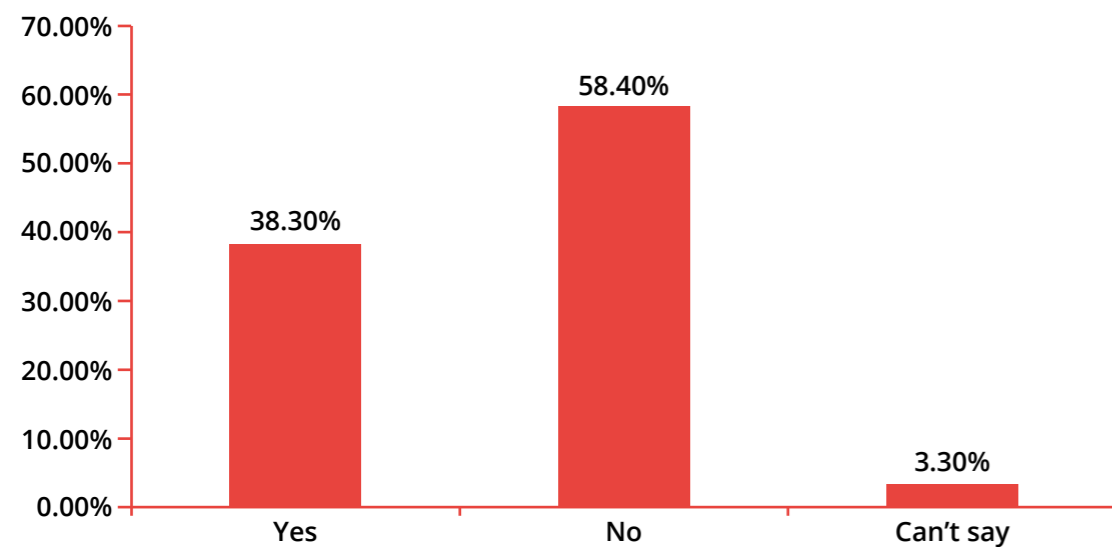
Listing websites and portals continue to be a significant source for real estate information, as per the survey, thereby further chronicling a major shift happening in the industry.



Source: 360 Realtors | Respondents were asked to click more than one option, if it applies.

# Comfort Level with Online Purchase

To further understand the uptrend of digitization in Indian Real Estate, the survey asked respondents how comfortable they would be with the online transaction of property. More than 38% responded in an affirmative tone, whereas slightly over 58% said that they would need site visits.



Source: 360 Realtors' Survey

The time for online Real Estate has finally come to India. The roadmap for digitization has stayed here for some time. Despite detailed boardroom discussions, real estate transactions largely remained offline. However, COVID has proved to be an inflection point resulting in wide-scale technological adoption throughout the value chain.

The recent success of realty webinars, digital property launches, and virtual property shows are pointers in the right direction. In the times to come, we will see more tech-enabled products in Indian Real Estate. The digital native millennial buyers would be one of the major growth drivers of the digitization in Indian Real Estate.

# Major Factors that Decide Home Purchase

On being asked about various factors that are essential to decide about a home purchase, the price of the home is seemingly one of the most significant factors, as suggested by 73% of respondents. Similarly, location (71.7%) and developer reputation (68.3%) are equally essential. More than 46% of the respondents have implied that payment plans are crucial for them. Similarly, a little less than 44% of the respondents have indicated that stage of construction is also important.



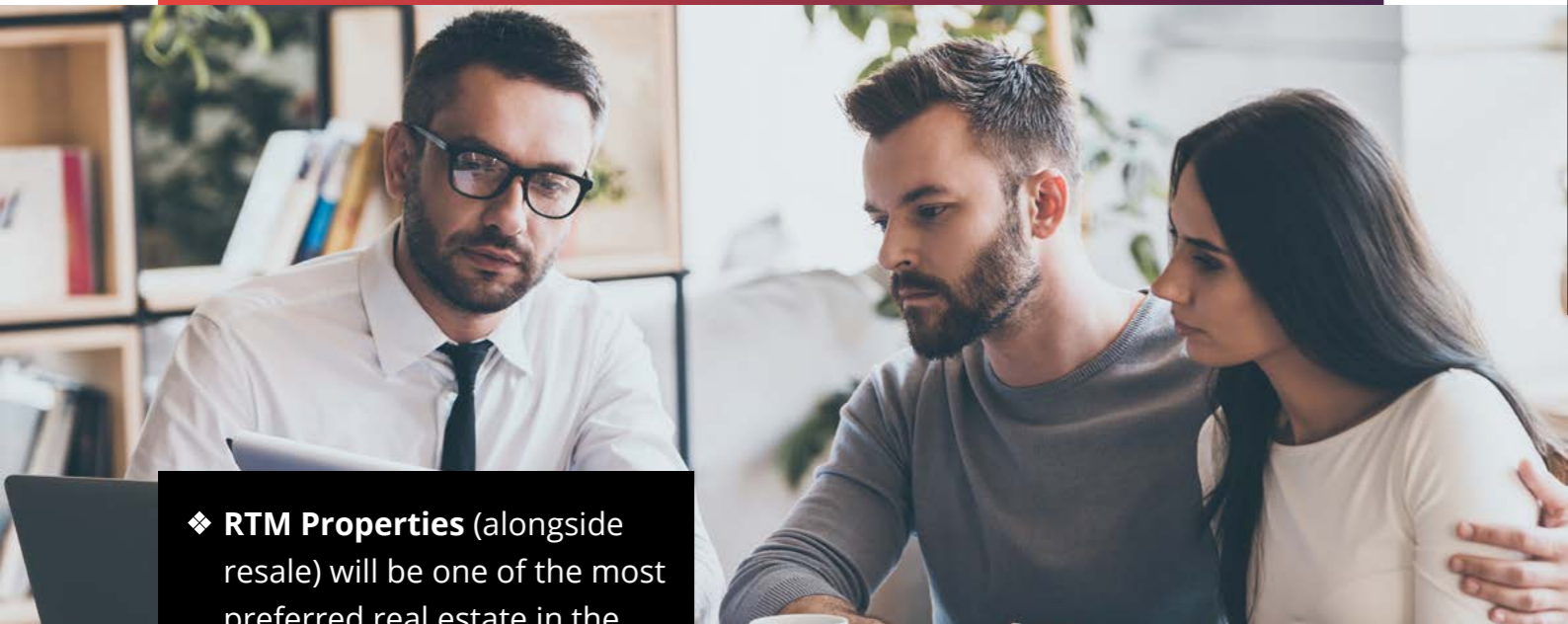
Source: 360 Realtors' Survey | Respondents were asked to click more than one option, if it applies.



# Conclusions



❖ **The digital** native millennial Indian buyers continue to drive the digitization process in Indian Real Estate. The time for online real estate transactions has finally come to India, as transformations are visible.



❖ **RTM Properties** (alongside resale) will be one of the most preferred real estate in the country. In IT-driven markets like Pune, Hyderabad, and Bangalore, the mid-aged (29-39) working crowd continues to foster growth. Buyers will avoid new launches and under-construction projects with large timelines.

❖ **Pune has been** the beneficiary of the recent reduction of the stamp duty, as it has helped in a quicker market recovery. There has been renewed interest in the affordable (30-45 Lacs) and Mid-income (45-75 lacs) segments in Pune with upcoming micro-markets such as Wakad, Hinjewadi, and Mahalunge driving a sizeable part of the transactions. Pune has also seen an incremental rise in investments coming from Mumbai.

❖ **One of the major trends** emerging in the current market is surplus liquidity amongst the high mid-income households. Due to the absence of international trips, weekend gateways, and eating & clubbing outside, households have surplus capital of around 6-8 lacs. Many such households are prudently investing the capital in booking new homes, keeping long-term investment in mind.

❖ **The recent pandemic** will result in surplus liquidity emerging in the current market is surplus liquidity amongst the high mid-income households. Due to the absence of international trips, weekend gateways, and eating & clubbing outside, households have surplus capital of around 6-8 lacs. Many such households are prudently investing the capital in booking new homes, keeping long-term investment in mind.

❖ **There is a growing** trend of owning larger homes. Due to a rising WFH culture, individuals are opting for larger spaces (3 BHK or above). Earlier sentiment surveys have showed the dominance of 2 BHK as it fits well with the average middle-income Indian nuclear households. However, now there is a growing preference for larger spaces with better amenities.

❖ **The credibility** of developers will continue to be one of the major forces to drive the market in the present time, when uncertainties are not going to dissipate soon.



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