

## **Study on Demographic Background of Potential Buyers: With Reference to Luxury Condominium Apartments in Colombo**

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### **Abstract**

Purchasing a home is considered as the largest investment done in one's life and would be a long-time commitment. In order to understand the house purchase decision; it is important to identify house buyers' demographic factors such as age, household composition, income etc. Such factors will initially influence buyers' decision to buy a house. By understanding the demographic background of buyers' real demand in the market for luxury condominiums could be identified by the developers. As well as luxury condominium is a type of product which is affordable to a very limited number of buyers as the price levels of the product is very high. So, real estate marketers and sales personals find it very difficult to find the prospective buyers for these apartments as there are no evidence about the demographic background of the people who demand these luxury condominiums. But if this information is available for them they would have a clear idea about the target group of the buyers so that they can do their particular marketing and promotional campaigns specially targeting them which will result in increased number of sales. Hence, the objective of this study is to identify the demographic background of potential buyers of luxury condominium apartments in Colombo. The population of the study is potential buyers who demand luxury condominium apartments in Colombo. The sampling method was judgmental sampling and the sample was considered as potential buyers who visited Astoria condominium apartment. Data was collected using questionnaire survey method and data analysis was done using SPSS software.

House buying decision is a collective family decision even though the first phase of information collection and final phase of decision process dealing with payments and company is mostly done by males. It shows that mostly the purchase decision is a collective decision done with their family members. Major age categories of buyers are from 30-50 years which confirms that this is the age that potential buyers make their purchase decision. Most of the respondents are Sri Lankans while there is a mix of other nationalities, and a higher portion of Sri Lankan potential buyers are living abroad. Majority of buyers' income lays in between (LKR) 1-5 million. Further, the majority of the respondents are well educated and are business owners while average household size of these respondents was 4 members.

**Keywords: Demography, Potential buyers, Luxury Condominium**

## **INTRODUCTION**

Demographic criteria place an important role in determining persons' characteristics. Different demographics contribute differently to buyers' demand for luxury apartments which draws the importance of studying the demographic background of buyers. It also provides measurements on how each demographic factor affects to buyers' purchase decision at various levels. Further studying of the demographic background of the prospective buyers becomes significant for real estate sales personals in identifying the exact target group to launch their marketing campaigns which will be more effective rather than carrying out marketing campaigns in a market where the people don't have the affordability of these luxury condominium apartments. Therefore, a study on the demographic background is very important in the luxury condominium market.

Property development in any country is encouraged through property sales. Developers tend to implement various strategies in order to market their property products and to achieve profit targets. All these strategies are implemented to make sure that their product is sold successfully. Even though there are many other factors which affect the demand for a house, it is important to identify the demographic profile of the buyers as it provides a suitable aspect in measuring demand for luxury apartments.

## **LITERATURE REVIEW**

### **House as a Real Estate Product**

Ariyawansa (2009), cited House i.e. a land bound real estate, can be identified as a consumer durable product. One may purchase such a real estate, a house once in his/her life time. Therefore, this is a very particular and crucial buying decision taken during his/her lifetime. Hence, a real estate buyer pays more attention and involves in a high intensive search of information regarding this particular product in making a purchasing decision rather than purchasing other products. At one extreme of the decision process, amount of deliberation and importance are very high in the housing purchase (Harry, 1976, p244. In fact, real estates, specially housing, is an elusive product (Mendes, 1995, pg3). Since housing fulfills one of the basic needs of a human it is more than just a product.

Ariyawansa (2009), cited Housing encompasses all the auxiliary services and community facilities, which are necessary for the wellbeing of humanity, as cited by Sumanasekara (1996). On the other hand, the so-called housing product is a very peculiar commodity when

compared with other types of goods and services. Housing in any community, is not supported to be a product that provides only the most basic need of shelter. It provides different types of needs of different community. Therefore, the house is more than a product which gives a lifelong consumption and utility.

### **Housing Market and Development**

Ariyawansa (2009), cited according to Harvey (1973: 163-66), there are numerous and diverse actors in the housing market and each one has a distinctive way of determining use value and exchange value. They are as follows:(1) The Occupiers, (2) The realtors (estate agents), (3) The landlords operators (4) The developers, (5) The financial institutions, and (6) The government institutions. On the other hand, as the supply of the public housing would remain very low in comparison to the overall demand for housing, the market forces come into play to meet this demand. Allen and Hamnett (1991: 31) have pointed out that the following elements may usefully be incorporated into a theory of spatially discontinuous housing markets. Firstly, in a market situation the relationship between producers and consumers is a reciprocal one and both sides of the ‘market’ influence the actual outcome (the market must have numerous buyers and sellers of housing services). Further, they have noted that an understanding of the housing market structure should start with housing production, not housing consumption. Such an approach stands in contrast to Rex and Moore’s (1967) housing class model which focused essentially on housing consumption rather than housing production. It also provides a strong antidote to ‘consumer-led’ concepts of market relationships. A ‘supply-side’ approach to understanding the origins of housing market segmentation not only refers to the physical aspects of housing provision – the numbers and location of housing, its type, size and the standard of provision, etc.....

Secondly, the role of bargaining between producers and consumers is essential to an understanding of the housing market situation. Thirdly, ability of certain households to compete in the housing market is clearly affected by discrimination, most obviously on grounds of race or ethnicity. Fourthly, space plays a crucial role in housing market processes, quite simply because housing involves the consumption of land. Fifthly, we need to understand the housing market as a dynamic process, one that is constantly changing in response to changes in the structures of provision and the characteristics of demand as cited in (Niriella, 2015).

As a result of house became a product, and influence over time made a house which is not only used for survival, but a product which fulfills security, social, esteem and self-actualization needs. This situation gave rise a need of many parties to build a house to a recognized standard. According to (Ariyawansa, 2009), no one could his/her own residence alone at such standard. Hence, he sought help from the neighbors. He also stated with change in time people were pushed into a highly busy life style which led to limit their lives to a specialized frame of routine. This evolution made to get their houses entirely done by someone else or to prefer a house which is already built leading to a lucrative industry throughout the world at present.

There was a boom period for the property development sector in Colombo. Several important features in the private sector property development activities during this period have also been identified. One was the rapid increase in the number of property developers, especially in the city of Colombo, and its suburban areas. They were either public or private companies, limited partnerships or individuals. The other characteristics were the increase of land subdivision schemes and sales of building and residential blocks in Colombo and its suburbs. Some of the companies, involved in the earlier largely land subdivision schemes, turned to the housing development activities this period (Niriella, 2015). In the meantime, some real estate companies in the country are constructing houses for target markets in different scales which were not up to the expected level for the customer (Ariyawansa, 2009).

Ariyawansa (2009), cited Rathnayaka's research paper (1991) pointed out about 25% of interviewed house buyers were not satisfied with the house they bought and also the paper says that the private sector housing companies do not provide efficient service to the target market. Therefore, a need of thorough study about demography, as an important determinant affecting housing market decisions was carried out through this research.

Demography as a part of the population refers to the number of households in one family. It involves population calculation which would affect the overall real estate market. According to this research demographic background will include a detailed description of potential buyers' age, ethnic group, education level, income level, marital status, household size, employment, etc.

## **Consumer Behavior**

Vilky and Salmon have defined consumer behavior as follows: Physical activity, mental and emotional people do when select, purchase, use and dispose of goods and services to satisfy their needs. In another definition, consumer behavior is described in this way: Series of activities directly toward the acquisition use and disposal of goods and services occurs. These activities include the decisions that are made before and after the procedure. to know better Consumer behavior Seven basic concept that has been emphasized by many scholars be examined .These concepts briefly are:

1) consumer behavior is motivated .The most basic question about consumer behavior is why consumer behavior. Answer to this question can be traced to in definition of consumer behavior, "so that the needs and wishes will be satisfy." In general consumer behavior, a motivate behavior that aim of it is achieving specific goals. The motives are the two types. One is Work motivation that is reason to by a product and related to the product performance in a way that helps to consumer to achieve goal. For example the motivation for a new car can be comfort and mobility, travel and ... Another motivation, personal motivation that related to a consumer wishes to express emotions or other things about his idea. Personal motivation for buying a car can be famous or like beautiful things.

2) Consumer behavior involves a lot of activities. Each consumer has thoughts, feelings, plans and several buy decisions. Person, who only pays attention to purchase activities, ignored much of the activities associated with it. While marketers have explore a wide range of activities, including thinking about consumer product information, according to the advertising, purchase and re-refer the application to the satisfaction of the consumer.

3) Consumer behavior is a process. As in the definition of consumer behavior said and as mentioned above, consumer behavior included a series of activities (selection, purchase, consumption, etc.) during the purchase and after the purchase is going as continuous process.

4) Consumer behavior is different in terms of time and complexity. Meaning of amount of spending time in consumer behavior is time that during it purchase decisions made or time duration of the purchase decision process and refer to the complexity of consumer behavior in a number of activities and the difficulty of decision. Between duration and complexity of the decision, there is often a direct relationship, it means if condition is the same and other

factors affecting the decision making process, whatever the decision be more complex, the time needed for whole process is more. Important point about these two factors is that the time and complexity of the decision process and consumer behavior are different about different people and situation. For example, it is possible buy a car in certain circumstances for a person is very complicated but same circumstances for another person can be considered a simple process.

5) Consumer behavior includes different roles. At least three different activities form within the process of consumer behavior. In connection with each of these activities create a role for consumer. The three roles are:

- a. Affective role on the purchase
- b. The buyer role
- c. The role of consumer

6) Consumer behavior is influenced by external factors. Consumer decision process somehow influences by outside forces, but the effect itself is not bad or good. Some of these outside forces include culture, subculture, social class, family, environment marketing and... 7) Consumer behavior is different for different people. Due to individual differences and the impact of outside forces on the different types of people, consumers have a variety of behaviors and these differences cause difficult to predict consumer behavior and how marketing mix respond. Factors that influence consumer purchasing decisions Buying decision process influenced by two factors, controllable and uncontrollable that they are important cultural factors - social, group, and individual psychological factors, and situational factors guild working of the marketing mix. Consumer involvement As was mentioned, the motivation of consumers to achieve a specific goal impressed with the effort that he spent to achieve that product or service. Whatever consumers believe that product or services better to satisfy him. Conflict is defined as amount of importance that a person considers for in a particular position for a product and the benefits of it. Functional involvement of a person is product and position. The combination of these item in different times can be different in receive information on consumer motivation. When consumers are going to do something to meet their need and incentive to receive and processing of any information to achieve their goal. While another person may want to access the same information doesn't put in trouble because he thinks this information is not related to his need.

### **Demographic Factors**

**Age:** Age becomes an important aspect in dealing with property criteria. There are diverging preferences between the adult and older generation. Retired person would prefer to purchase a house with simple design affording movement flexibility inside the house. Hurtubia et al. (2010) stated that age would help them identify the current lifecycle of the household such as young family and old couple. These would influence them to make different decisions in terms of their requirement. In other words, age could identify the number demand in the housing market. According to Krainer (2005), people above 65 years old are reluctant to buy a house even if they can afford it. On the other hand, young people are more penchant to buying a property. Nevertheless, those under 30 years old less likely to commit themselves to purchasing property since many will not have reached their financial stability. In luxury condominium market age is of vital important to the sales personals in targeting the prospective buyers. As condominiums deal with hefty prices a person should be in an age category who is in need of a house as well as who should have the affordability to buy it. So age is an important demographic criteria which a sales personal should study in this type of a complex market where there is a very limited number of prospective buyers.

**Ethnic group:** Ethnic group becomes one of the socio-economic aspects. For example, in Malaysia, each ethnic group such as Malay, Chinese and Indians have their own different cultural perspectives when it comes to buying a house. This demographic factor influences residential choice in terms of the selection of location and thus creates various situations in the property market. Therefore, race has been considered in determining the level of demand and property purchasing.

**Marital status:** Marital status affects the buyers' decision-making process. Different buyers' marriage status such as single, married, a single mother, a single father will result in different preferences. This will influence the individual's basic needs and restrict his capacity or budget to purchase housing units. Married people usually prefer to have their own house. However, Bourassa (1994) argues that young married people do not have the intention to have their own house. At the same time, old married people also refuse to buy the house caused by smaller household size. Besides this, unmarried person intends to stay with his parents rather than move to another house. However, the incidences of divorce among people contribute to growing needs for new houses among single parents. This situation has suggested that marital status should be analyzed to determine house purchasing decision by people.

**Household size:** Hurtubia et al (2010) observe household size which could be measured by the number of people living in a residential unit. The formation of household size would encourage new demand for such property. Households with young children would prefer a house with simple design and with extra space for play. Household size also determines the space needs of the family member in term of size and number of rooms. Number of children in the household will contribute to the needs and preferences of the house within a good location, accessibility, educational and recreation facilities. Further the space inside an apartment is very precious as it cannot be expanded later as per the needs and wants. Mostly families in smaller sizes are more willing to accommodate themselves in condominium apartments because the space within the apartment is manageable. So, the sales personals should have a clear understanding about the average household size to target where it is very important.

**Employment:** Employment becomes one of the household criteria. Increasing the number in employment would decrease the level of unemployment. Employment is part of the property cycle, which usually refer to the type of occupation that has been employed by the head of household. A good employment would contribute to the financial strength for each household and would encourage the people to find a new residential unit. Meanwhile, losing the employment would influence in home ownership. This situation will basically affect the level of demand for the property market within short and long term period. For the sales personals of luxury condominiums this demographic factor is very crucial as the pool of affordable customers are very limited. As there are number of employment categories in an economy, the sales personal should be aware about the form of employment categories where the demand for luxury condominiums keep on arising so that sales personals can target specially these employment categories making their marketing campaigns more efficient and effective.

**Education level:** Meanwhile education level is also an indicator of buyer lifestyle. Higher education household had been criticized as the main group influencing the housing system. Moreover, education also influences people to be more careful in buying a house. Different levels of education among people would encourage them to demand different types of house. A higher level of education (above degree level) may encourage people to buy expensive houses whereas a lower level of education level would decrease their intention to buy a



house. The impact of education level on buying activities has been studied by previous researchers.

**Income:** Bujang et al (2010) stated that income would influence people in buying a house. The level of income would influence the cycle of the housing market and increase purchasing power by the buyer. Level of income would change from time to time and could be classified into certain classes such as high, medium and low income. The choice of house type would be different based on the level of income which are related to their affordability. Usually married household intend to have high income as compared to unmarried people. This situation had encouraged people to buy new property. High-income people would also prefer to buy high-cost house. Meanwhile, low-income people would have barrier to buy any of the houses. However, Poterba (1991) and Kamara (1994) argue that household income does not give much effect on the value of demand and buying decision. Beside, Kranz & Hon (2006) stated that the impact of these criteria on demand is low and could be ignored. But in sales personals point of view income is a very important aspect in determining exactly the prospective buyers. As luxury condominiums are unaffordable to each and every person, a sales personal should be more specific about the income category of the potential buyers where the demand is arising. Generally high income earners are the people who are eligible to afford this kind of luxury properties. So being specific on this category will make sales personal target their prospective buyers more efficiently and effectively.

## **RESEARCH METHODOLOGY**

### **Data and Data Collection**

A comprehensive literature survey carried out with the use of books, journals and articles with the aim of finding existing knowledge on various factors that are considered by a potential buyer in purchasing a luxury condominium apartment. This study is based on qualitative and quantitative data based on primary data and secondary data.

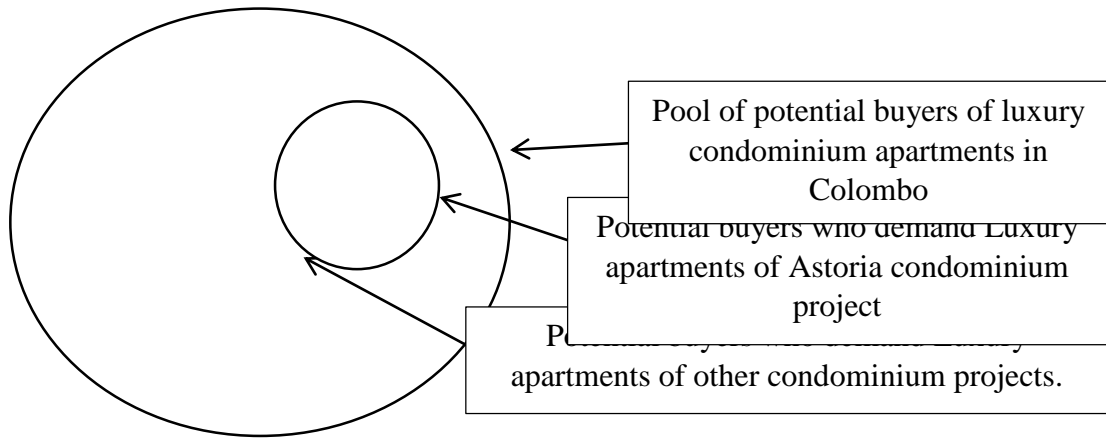
### **Population**

The population of this study is the potential buyers who demand luxury condominium apartments which are located with in Colombo city limits.

**Sample Selection**

The sample for the data collection was the potential buyers that visited the ASTORIA sales office which is a luxury Condominium apartment situated in Kolpity (Colombo 03).

**Figure 1. 2 Sample selection**



Source: Author, 2015

**Sampling Method**

Non-probability sampling method was used for this research study as the population is unknown. Under the non-probability sampling method, judgmental sampling method was used in this study.

**Data Analysis**

Descriptive analysis is used to analyze the data about the demographic background of the potential buyers. Demographic factors like age, gender, income levels, profession and etc. were analyzed. Mean, mode, medium and percentage were applied for the analysis process.

**Gender**

**Table 1. 1: Gender Distribution**

	Frequency	Percent	Valid Percent	Cumulative Percent
Male	77	85.6	85.6	85.6
Female	13	14.4	14.4	100.0
Total	90	100.0	100.0	

Source: Author, 2015

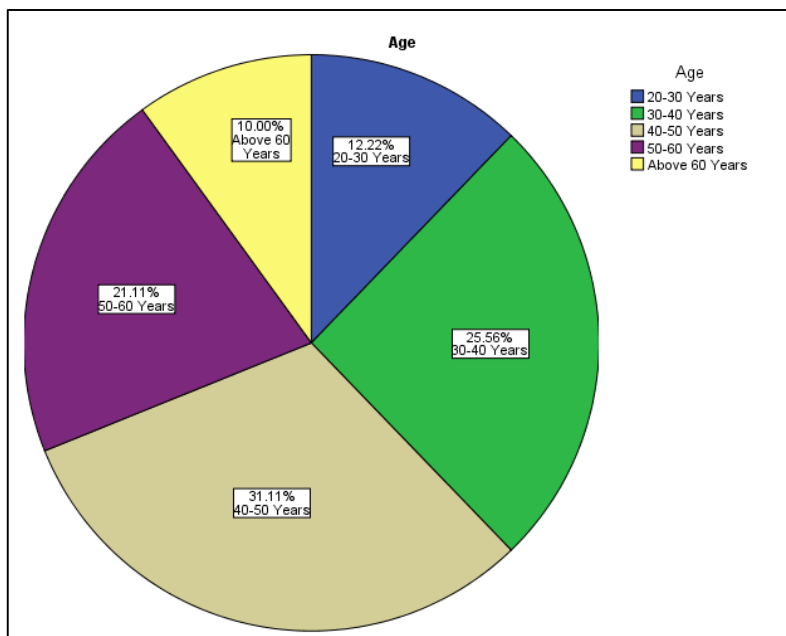
Most of the respondents were males as depicted by the figure 4.1 which accounts for a percentage of 85.6 of the sample while the rest 14.4% accounted for the female respondents. This shows that the gender distribution is not even within the sample. But when the data collection process was carrying out, the researcher identified that whether the males inquire the project, their preference is affected by their spouse to a significant proportion which shows that the preference of luxury condominiums is a collective decision.

**Age**

**Table 1. 2: Age Distribution**

	Frequency	Percent	Valid Percent	Cumulative Percent
20-30 Years	11	12.2	12.2	12.2
30-40 Years	23	25.6	25.6	37.8
40-50 Years	28	31.1	31.1	68.9
50-60 Years	19	21.1	21.1	90.0
Above 60 Years	9	10.0	10.0	100.0
Total	90	100.0	100.0	

Source: Author, 2015



**Figure 4. 1 Age Distribution**

Source: Author, 2015

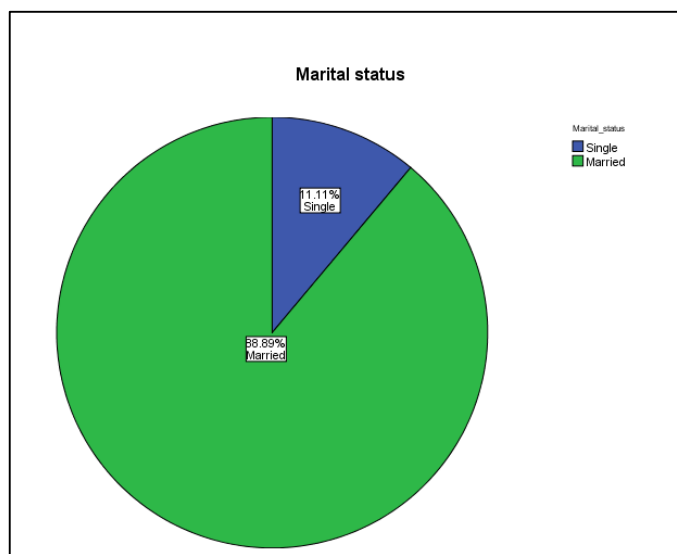
The majority of the respondents of the sample belongs to the age category of 40-50 years which is 31.1% of the sample which is followed by the age category 30-40 years which accounts for a percentage of 25.6% of the sample. The least number of respondents belongs to the age category above 60 which is of 10% from the sample.

**Marital status**

**Table 4. 3 Marital status**

<b>Marital status</b>				
	Freque ncy	Percent	Valid Percent	Cumulative Percent
Single	10	11.1	11.1	11.1
Married	80	88.9	88.9	100.0
Total	90	100.0	100.0	

Source: Author, 2015



**Figure 4. 2 Marital Status**

Source: Author, 2015

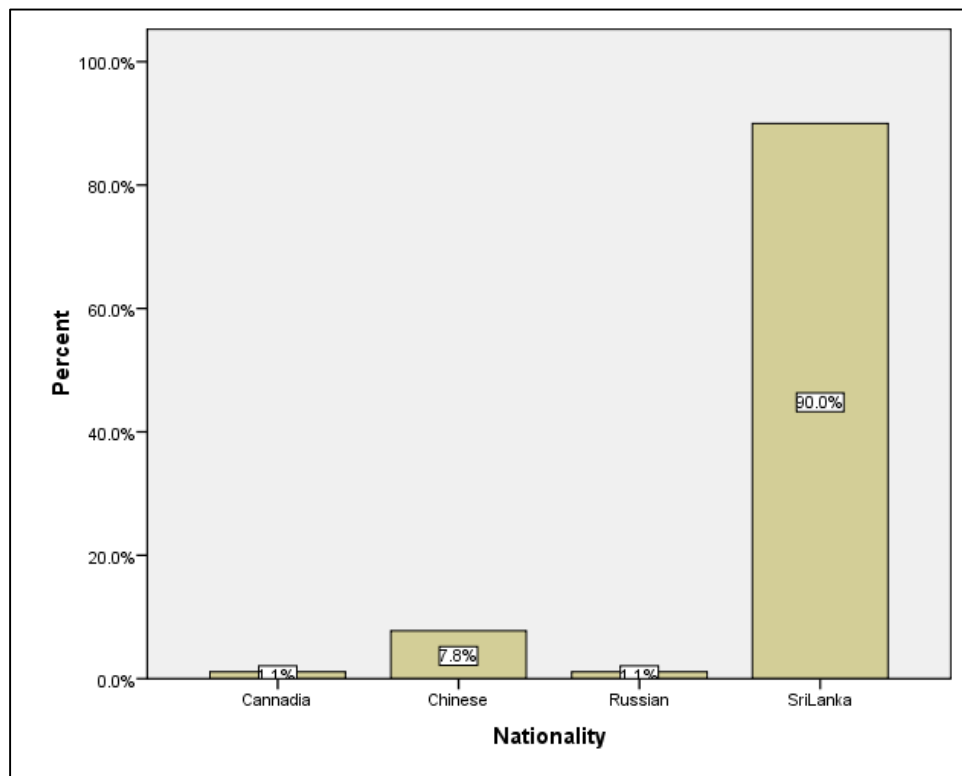
The majority of 88.9% is married from the sample as depicted in figure 4.3. The rest 11.11% is single while there were no widowers.

## Nationality

**Table 4. 4: Nationality**

	Nationality			
	Frequency	Percent	Valid Percent	Cumulative Percent
Canadian	1	1.1	1.1	1.1
Chinese	7	7.8	7.8	8.9
Russian	1	1.1	1.1	10.0
Sri Lankan	81	90.0	90.0	100.0
Total	90	100.0	100.0	

Source: Author, 2015



Source: Author, 2015 **Figure 4. 3 Nationality**

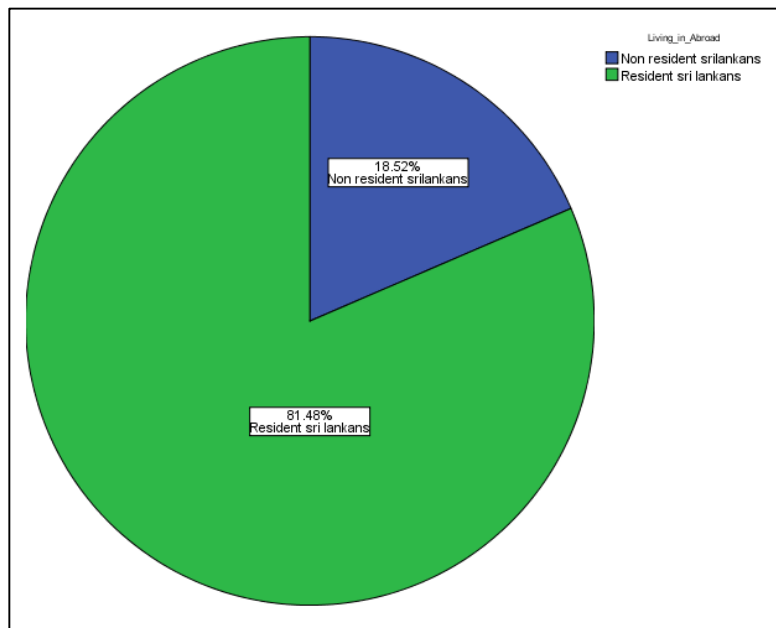
The respondents were asked about their nationality and majority of 90% of the sample accounted for Sri Lankans while 7.8% were Chinese followed by Canadian and Russian 1.1% each.

## Type of Residency

**Table 4. 5 Residency**

	Residency		Valid Percent	Cumulative Percent
	Frequency	Percent		
Non-resident srilankans	15	18.5	18.5	18.5
Resident sri lankans	66	81.5	81.5	100.0
Total	81	100.0	100.0	

Source: Author, 2015



**Figure 4. 4 Residency**

Source: Author, 2015

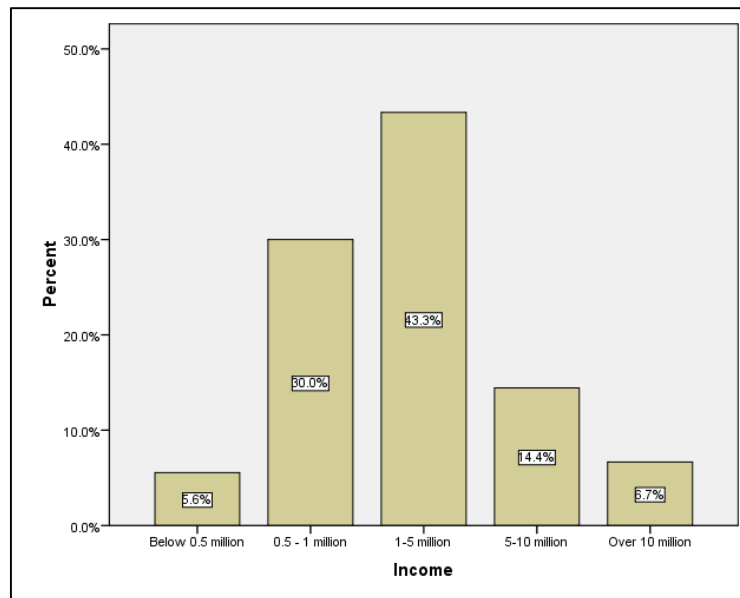
The majority of 81.48% were resident Sri Lankans while non-resident Sri Lankans were accounted for a percentage of 18.52 from the respondents who were Sri Lankans. As a count, out of the 90 respondents, 66 were resident Sri Lankans, 15 were non-resident Sri Lankans, and 9 were foreigners.

## Monthly household income distribution

**Table 4. 6: Monthly household income distribution**

	Frequency	Income Percent	Valid Percent	Cumulative Percent
Below 0.5 million	5	5.6	5.6	5.6
0.5 - 1 million	27	30.0	30.0	35.6
1-5 million	39	43.3	43.3	78.9
5-10 million	13	14.4	14.4	93.3
Over 10 million	6	6.7	6.7	100.0
Total	90	100.0	100.0	

Source: Author, 2015



**Figure 4. 5 Monthly house hold income distribution**

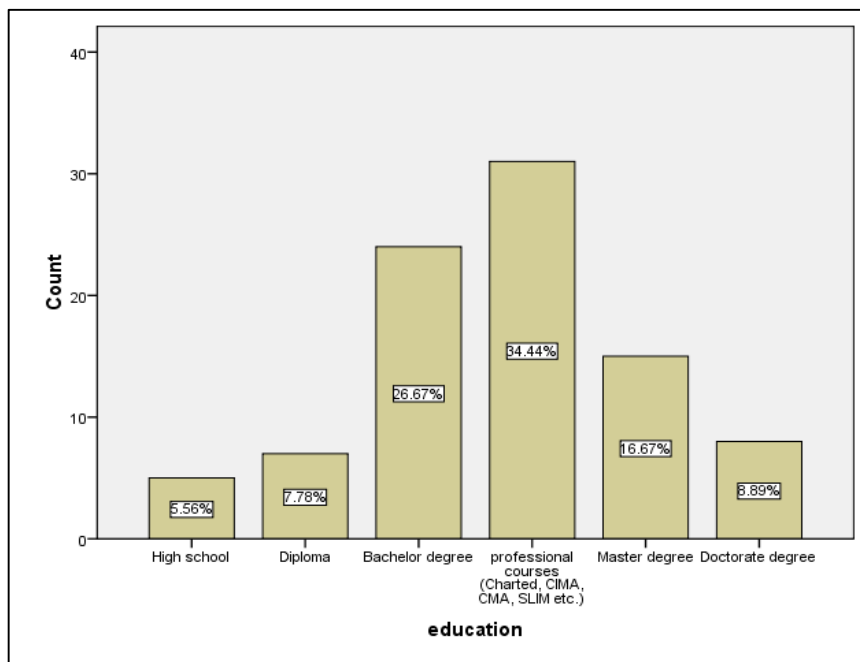
Source: Author, 2015

The majority of 43.3% of respondents are having a monthly household income in-between 1 to 5 million which is followed by 30% of respondents who are having a monthly household income in-between 0.5-1 million. The least number of respondents belongs to the income category below 0.5 million rupees.

**Education level****Table 4. 7: Educational level**

Education	Education		Valid Percent	Cumulative Percent
	Frequency	Percent		
High school	5	5.6	5.6	5.6
Diploma	7	7.8	7.8	13.3
Bachelor degree	24	26.7	26.7	40.0
Professional courses (Chartered, CIMA, CMA, SLIM etc.)	31	34.4	34.4	74.4
Master degree	15	16.7	16.7	91.1
Doctorate degree	8	8.9	8.9	100.0
Total	90	100.0	100.0	

Source: Author, 201

**Figure 4. 6 Educational level**

Source: Author, 2015

The majority of 34.44% belongs to the category of professional courses while secondly 26.67% belongs to the category of a bachelor degree. The least of 5.56% belongs to the category of high school.



## Source of Income

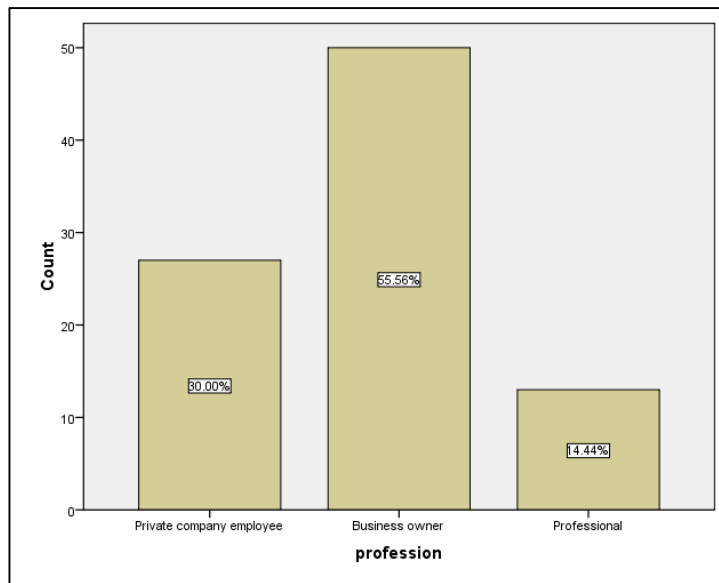


Figure 4.8 Income source

Table 4. 8 Income source

	Income source			
	Freque ncy	Perc ent	Valid Percent	Cumula tive Percent
Private company employee	27	30.0	30.0	30.0
Business owner	50	55.6	55.6	85.6
Professional	13	14.4	14.4	100.0
Total	90	100.	100.0	
		0		

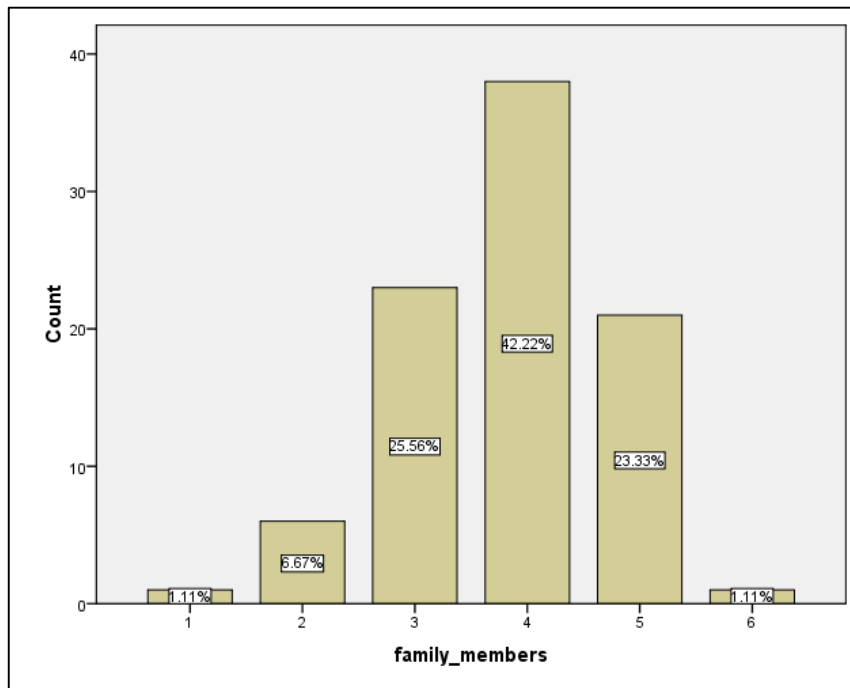
Source: Author, 2015

A majority of the sample were business owners which accounted for a percentage of 55.56. It was followed by the category of private company employee which accounted for a percentage of 30% and least was accounted for the professionals' category which was 14.44% of the total sample. While the data collection was carried out by the researcher, it was identified that the majority of businessmen were up to automobile industry, gold, gem and diamond industry, hotel industry, export and import industries (tea, branded retail items, etc.), textile and garments industry and construction industry. The private company employees were mostly the top level management of private companies including directors. The professionals were mostly specialist doctors, engineers and chartered accountants.

**Household Size****Table 4. 9 Household size**

<b>No: of family members</b>				
No: of members	Frequency	Percent	Valid Percent	Cumulative Percent
1	1	1.1	1.1	1.1
2	6	6.7	6.7	7.8
3	23	25.6	25.6	33.3
4	38	42.2	42.2	75.6
5	21	23.3	23.3	98.9
6	1	1.1	1.1	100.0

Source: Author, 2015

*Figure 4. 7 Household size*

Source: Author, 2015

The majority of 42.22% has a household size of 4 members out of the total sample. It is followed next by a percentage of 25.56% which has a household size of 3 members. The least household size of 1 member and 6 members has a percentage of 1.11%.

## Purchasing Intention

**Table 4. 10 Purchasing intention**

<b>Buying intention</b>				
	Frequency	Percent	Valid Percent	Cumulative Percent
Living purpose	28	31.1	31.1	31.1
Investment purpose	43	47.8	47.8	78.9
Both living and investment	19	21.1	21.1	100.0
Total	90	100.0	100.0	

Source: Author, 2015

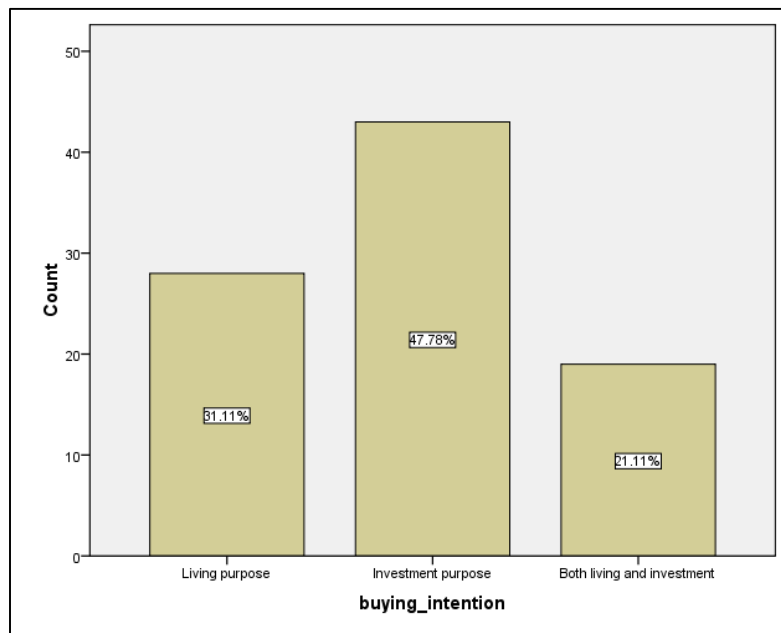


Figure 4. 8 Purchasing intention

Source: Author, 2015

A majority of 47.78% of the sample buys a luxury condominium apartment for their investment purposes while 31.11% purchase it with the intention of residing in it. A considerable amount of a 21.11% purchase it with the intention of both living and investment purpose.

## Interested apartment types

**Table 4. 11 Interested Apartment types**

	Frequency	Percent	Valid Percent	Cumulative Percent
2 bed room	36	40.0	40.0	40.0
3 bed room	44	48.9	48.9	88.9
4 bed room	7	7.8	7.8	96.7
5 bed room	1	1.1	1.1	97.8
Villas, Duplexes, Triplexes, Fourplexes	2	2.2	2.2	100.0
Total	90	100.0	100.0	

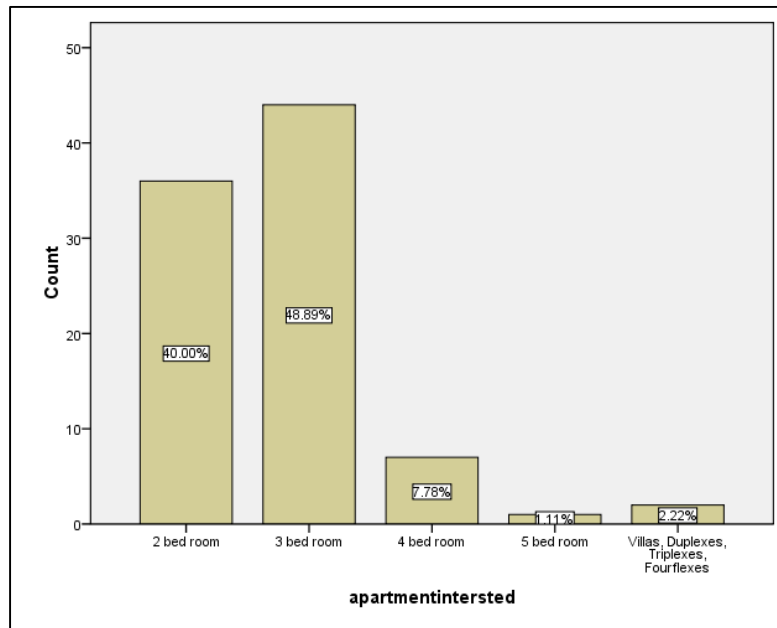


Figure 4. 9 Interested Apartment

Source: Author, 2015

A majority of 48.99% is willing to have a 3 bedroom apartment while it is very much closely followed by 2 bedroom apartments which have a willing percentage of 40% out of the total sample. The least of 2.22% and 1.11% is accounted for villas, duplexes and 5 bedrooms respectively.

## CONCLUSION

This study is aimed at studying the demographic background of the potential buyers who demand luxury condominium properties in Colombo. To achieve this objective, demographic background of potential buyers who visit Astoria sales office which is a luxury condominium property situated in Colombo were questioned. 90 respondents were taken as the sample and questionnaire survey was carried out. The concluded results can be described as follows.

Surveyed data shows that majority of the potential buyers are males followed by a collective family decision which will impact real estate sales personals making sales process a bit complex because convincing two or more people rather than one to buy a condominium will require a lot of effort. The majority of potential buyers lies in between the ages of 30-50 years where the majority is married. It derives the fact that sales personals should target employed married couples of ages 30-50 where they become financially stable as well as stable in their family lives.

The majority of the respondents is Sri Lankans while there is a taste in between other nationalities also for luxury condominium apartments in Colombo. Out of the Sri Lankans, a considerable amount is living in abroad. Majority is well educated where there income lies in between the range of LKR 500,000 to LKR 5,000,000. This concludes that the sales personals should target well educated people who has a monthly income of more than 0.5 million.

The prospective buyers of luxury condominium apartments are business owners dealing in the fields of luxury goods, private company employees in top level management and professionals like specialist doctors, engineers and chartered accountants.

The average household size was 4 which derives the fact that smaller families has more willingness to accommodate in luxury condominium apartments making it clear for sales personals to target smaller families.

## **RECOMMENDATIONS**

This study is significant for property marketers, sales personals and developers in identifying the pool of potential buyers that they should concentrate on selling luxury condominium apartments. So as a recommendation regarding this scenario the above mentioned three parties should target on following factors.

- Should target on well-educated males who are in the age of 30-50 of whom are business personals, top level managers and professionals who earn a monthly household income of LKR 0.5 million – LKR 5million.
- Should target on business personals who are in automobile industry, textile and garment industries, construction industries, gold, gem and diamond industry, hotel industry, export and import industries of tea and branded retail items.
- Should target on private company employees and professionals who belong to top level management including chief executive officers and directors as well as should target professionals like specialist doctors, engineers and chartered accountants.
- Should do marketing campaigns and awareness programs mostly in Sri Lanka as well as in overseas countries to some extent like road shows, investment conferences, etc.
- Should target non-resident Sri Lankans who works in foreign countries like Italy, America, Canada, England, Sweden and other European countries.

- Developers should mainly focus on increasing 2 bed room and 3 bedroom apartment stock in their condominium projects while limiting 4 bedrooms and 5 bedrooms to some extent.
- Developers should implement some favorable schemes for investors like rental guaranteed schemes to attract more investors who invest in condominium apartments.

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