

A Study on Buying Behavior and Consumer Preferences Towards Residential Apartment with Special Reference to Kolhapur City

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Abstract—This study explores the buying behavior and consumer preferences regarding residential apartments in Kolhapur City. A structured questionnaire was administered to a sample of 147 prospective homebuyers, aiming to understand factors influencing purchase decisions, preferred apartment features, and demographic influences. The study reveals that location, price, and amenities are the top three determinants of consumer preference. The empirical data were analyzed using descriptive statistics, correlation analysis, and factor analysis. The findings contribute valuable insights for real estate developers, policymakers, and marketers seeking to align their offerings with consumer expectations in the Kolhapur residential property market.

Index Terms—Buying Behaviour, Consumer Behaviour, Consumer Preferences, Empirical Study, Kolhapur City, Residential Apartments, Real Estate, Vastu Shastra.

I. INTRODUCTION

In recent years, urbanization and economic development have significantly impacted the real estate sector in India. Residential apartment purchasing is a key component of this growth, influenced by various socio-economic factors and individual consumer preferences. Kolhapur City, a prominent urban center in Maharashtra, has witnessed considerable real estate development, raising interest in understanding local consumer behaviour. This research aims to analyze the buying behaviour and preferences of consumers regarding residential apartments in Kolhapur City to guide developers and policymakers in making informed decisions.

1.1 Background of the Study

The real estate sector plays a critical role in the economic development of India, contributing

significantly to the national GDP and employment generation. In the last decade, India has witnessed rapid urbanization, rising income levels, and a growing middle class, all of which have intensified the demand for residential properties. Consumers today are no longer driven solely by the basic need for shelter; instead, a combination of factors such as convenience, investment potential, social status, and personal aspirations influence their decision-making process.

At the national level, the residential real estate market has seen considerable transformation due to policy reforms such as the Real Estate (Regulation and Development) Act (RERA), Goods and Services Tax (GST), and the Pradhan Mantri Awas Yojana (PMAY). These initiatives aim to enhance transparency, affordability, and accessibility for homebuyers. According to recent reports by the National Real Estate Development Council (NAREDCO), there is an increasing trend of urban home purchases driven by rising aspirations for a better lifestyle, improved infrastructure, and work-from-home options emerging post-pandemic. However, affordability continues to be a critical concern, especially among middle-income households.

Maharashtra, as one of India's most urbanized and industrialized states, holds a significant share in the real estate sector. Cities like Mumbai, Pune, and Nagpur have set benchmarks for urban residential development, but mid-sized cities such as Kolhapur are emerging as attractive investment destinations due to lower property prices, improved connectivity, and urbanization. The Maharashtra Real Estate Regulatory Authority (MahaRERA) has brought greater clarity and accountability, encouraging more consumers to

consider apartment purchases. Recent trends in Maharashtra indicate that homebuyers are increasingly focusing on affordability, proximity to workplace, social infrastructure, and future resale value.

Kolhapur City, with its rich cultural heritage and growing industrial base, is rapidly transforming into an urban hub. The city's real estate market is gradually expanding, fueled by rising disposable incomes, a growing middle class, and increasing employment opportunities in small-scale industries and services. Unlike metropolitan cities, Kolhapur presents a more localized market where personal networks, word-of-mouth, and traditional preferences play a significant role in influencing buying behaviour. Consumers in Kolhapur exhibit a strong preference for affordable yet modern apartments with essential amenities such as parking, security, and green spaces. Importantly, many homebuyers in Kolhapur strongly emphasize compliance with Vastu Shastra principles a traditional Indian architectural science believed to harmonize living spaces with cosmic energy to promote health, wealth, and well-being.

1.2 Consumer Behaviour and Individual Preferences in Residential Apartment Purchases

Consumer behaviour in real estate is complex and influenced by a mix of rational and emotional factors. Rational considerations typically include price, location, size, amenities, developer reputation, and legal transparency. Emotional factors encompass personal aspirations, family needs, cultural values, and social status. In the context of Kolhapur City, it is observed that many prospective buyers prefer apartments that offer a balanced combination of modern amenities and compliance with traditional beliefs.

A unique aspect of consumer preference in India, especially in Kolhapur, is the strong emphasis on Vastu Shastra. Homebuyers often consult Vastu experts to ensure that the layout, direction, and structure of an apartment align with auspicious principles. For instance, favorable placement of the kitchen, bedroom, and entrance in alignment with cardinal directions is considered essential for promoting positivity, prosperity, and health. Approximately 65% of surveyed homebuyers in Kolhapur have indicated that Vastu compliance plays a decisive role in their purchase decision, often

outweighing other factors such as price or proximity to the workplace.

II. LITERATURE REVIEW

The buying behaviour of residential real estate consumers is a multifaceted process influenced by economic, psychological, social, cultural, and situational factors. Globally, real estate purchasing is considered a high-involvement decision due to its long-term financial and emotional impact (Kotler & Keller, 2016). In the Indian context, the decision-making process is particularly complex because it integrates both modern consumer rationality and deeply rooted traditional beliefs such as Vastu Shastra.

2.1 Consumer Behaviour in Real Estate

According to Kotler and Keller (2016), consumer buying behaviour is a process involving problem recognition, information search, evaluation of alternatives, purchase decision, and post-purchase behaviour. Nair (2014) argues that real estate purchases are unique compared to other products because they are highly durable, expensive, and involve significant emotional and financial commitment.

Singh and Singh (2018) conducted an empirical study in India that identified location, price, quality of construction, proximity to workplace, and accessibility to schools and hospitals as primary determinants of buying decisions in the real estate sector. Their findings emphasized that urban buyers show a clear preference for properties that offer convenience and safety.

2.2 Regional Consumer Behaviour Maharashtra and Kolhapur

Maharashtra is one of the most developed states in India with a well-established real estate market. However, studies by MahaRERA (2021) indicate that consumers increasingly focus on transparency and regulatory compliance when purchasing residential properties. In contrast to metropolitan cities like Mumbai and Pune, mid-sized cities such as Kolhapur exhibit a market where consumer decisions are deeply influenced by family preferences, local reputation of developers, and traditional practices.

Research by Deshmukh et al. (2019) specifically studied real estate consumer behaviour in smaller

cities of Maharashtra and found that consumers give significant importance to locality and surrounding environment. The study highlighted that buyers preferred locations with good air quality, low pollution levels, and proximity to essential services.

2.3 The Role of Vastu Shastra in Home Buying Decisions

Vastu Shastra is an ancient Indian system of architecture, which emphasizes the harmonious arrangement of physical spaces in alignment with cosmic energy principles. Several studies (Sharma, 2017; Joshi & Patil, 2020) confirm that a significant segment of Indian homebuyers consider Vastu compliance an essential factor while purchasing property. Sharma (2017) reported that nearly 70% of surveyed respondents in India gave importance to Vastu guidelines for the placement of kitchens, bedrooms, and main entrances.

Joshi and Patil (2020) focused specifically on Maharashtra and revealed that Vastu Shastra compliance is not just a belief but a decisive factor that often outweighs rational factors such as price or developer reputation, especially among middle-aged and older homebuyers.

2.4 Environmental and Infrastructure Factors

With increasing awareness about sustainable living and health, air quality, atmosphere, and surroundings are becoming critical factors in the home-buying process. Studies by Singh et al. (2021) found that urban homebuyers are increasingly concerned about green spaces, pollution levels, and well-planned surroundings while making property purchases. These factors directly impact perceived health benefits, lifestyle quality, and future resale value.

The accessibility factor was highlighted in a study by Kapoor and Mehta (2018), who argued that proximity to public transport, major roads, and essential services remains a critical factor in influencing consumer decisions in the real estate market, especially in smaller cities.

2.5 Research Gap

Although multiple studies address consumer behaviour in real estate, very few specifically focus on mid-sized cities such as Kolhapur in the context of integrating modern preferences (location, amenities, safety, etc.) with traditional factors such as Vastu

Shastra. Moreover, limited research has combined factors such as air quality, atmosphere, and surroundings into a comprehensive framework of consumer decision-making in the real estate market of India.

2.6 Research Significance

Understanding consumer behaviour in the context of Kolhapur's residential real estate market is crucial for developers and policymakers. The local nuances ranging from affordability constraints and cultural preferences to trust in developer reputation are key to designing and marketing suitable housing projects. Additionally, integrating Vastu-compliant designs into residential projects can significantly influence consumer satisfaction and market success.

This research aims to provide a comprehensive analysis of these factors by empirically studying the preferences and buying behaviour of prospective residential apartment buyers in Kolhapur City. The study will help bridge the gap in existing literature by providing region-specific insights that reflect both modern expectations and traditional practices.

2.7 Research Questions

1. What are the primary factors influencing consumer decisions in the purchase of residential apartments in Kolhapur City, including traditional beliefs like Vastu Shastra and modern amenities?
2. How do locality, surroundings, accessibility, air quality, and atmosphere influence consumer preferences?
3. To what extent does Vastu Shastra compliance impact the buying decision of homebuyers in Kolhapur?
4. What is the relationship between demographic characteristics and consumer preferences for various apartment features and Vastu compliance?

2.8 Research Objectives

1. To identify and analyze key factors influencing consumer buying behaviour when purchasing residential apartments in Kolhapur City, including Vastu Shastra compliance, locality, surroundings, accessibility, air quality, and atmosphere.
2. To assess consumer preferences for specific apartment features, amenities, and Vastu Shastra compliance.

3. To evaluate the relationship between demographic factors and consumer preferences toward residential apartments.
4. To provide actionable insights for real estate developers and policymakers to better align residential projects with consumer expectations.

III. RESEARCH METHODOLOGY

3.1 Research Design

This study adopted a descriptive research design with an empirical approach using a structured questionnaire survey.

3.2 Sampling Technique and Sample Size

A non-probability convenience sampling method was used. The sample consisted of 147 respondents comprising prospective residential apartment buyers in Kolhapur City.

3.3 Data Collection

Primary data were collected through a structured questionnaire containing both closed and Likert-scale questions, focusing on demographics, purchase behaviour, and preference for apartment features. Secondary data were gathered from published research articles and industry reports.

3.4 Data Analysis Methods

Data were analyzed using:

- Descriptive statistics (frequency distribution, mean, standard deviation)
- Correlation analysis
- Factor analysis to identify key dimensions influencing buying behaviour.

IV. DATA ANALYSIS AND FINDINGS

4.1. Data Analysis

4.1.1 Demographic Profile of Respondents

Table 4.1.1.1: Demographic Profile of Respondents

Demographic Variable	Frequency	Percentage (%)
Gender		
- Male	85	57.82
- Female	62	42.18
Age Group		
- 25–35 years	70	47.62
- 36–45 years	50	34.01
- 46–55 years	20	13.61

- Above 55 years	7	4.76
Monthly Income		
- < ₹50,000	35	23.81
- ₹50,001–₹1,00,000	60	40.82
- > ₹1,00,000	52	35.37

4.1.2 Key Factors Influencing Buying Behaviour

Table 4.1.2.1: Key Factors Influencing Buying Behaviour

Factor	Mean Score (1-5)	Standard Deviation
Location	4.65	0.56
Price	4.52	0.62
Amenities	4.35	0.70
Safety	4.15	0.78
Air Quality & Atmosphere	4.22	0.75
Access to Transportation	4.30	0.68
Surrounding Environment	4.20	0.74
Developer Reputation	3.98	0.85
Vastu Shastra Compliance	4.10	0.80

4.2. Finding

Location, price, and access to transportation were top determinants, but Vastu Shastra compliance showed significant influence, with a mean score of 4.10, indicating strong consumer preference.

4.3 Correlation Analysis

- Positive correlation between monthly income and preference for high-end amenities ($r = 0.58$, $p < 0.01$).
- Significant positive correlation between age and preference for Vastu Shastra compliance ($r = 0.48$, $p < 0.01$).
- Moderate positive correlation between concern for air quality and surrounding environment ($r = 0.52$, $p < 0.01$).

4.4 Factor Analysis

Principal Component Analysis (PCA) identified four key factors explaining 72% of the total variance:

- Economic & Developer Factors: Price, Developer Reputation, Payment Plans.
- Physical & Structural Features: Apartment Size, Quality of Construction, Amenities.
- Location & Environmental Quality: Proximity to Work, Schools, Transportation, Air Quality, Atmosphere.

- Traditional & Cultural Preferences: Vastu Shastra Compliance, Surrounding Environment Harmony.

V. DISCUSSION

The analysis reaffirms that location, price, and access to transportation remain primary drivers of consumer decisions in the residential apartment market of Kolhapur City, in alignment with existing literature (Kotler & Keller, 2016; Singh & Singh, 2018). However, the study reveals a significant additional dimension related to Vastu Shastra compliance. Approximately 65% of respondents rated Vastu compliance as a crucial factor, demonstrating that traditional beliefs are deeply embedded in the home-buying process. This cultural element strongly influences decision-making, especially among older and higher-income groups.

The air quality and atmosphere also emerged as notable factors influencing buyer preference. In an increasingly polluted urban environment, homebuyers showed significant concern for clean air and green surroundings, indicating a shift towards health-conscious decision-making.

The correlation between income and preference for high-end amenities reflects consumers' desire for status and comfort as income levels rise. The moderate correlation between age and Vastu preference suggests that older generations adhere more to traditional beliefs, while younger consumers focus more on modern features and convenience.

The factor analysis provides actionable insights for developers, emphasizing the need for integrating traditional beliefs like Vastu Shastra with modern construction practices and sustainability measures, particularly in mid-sized cities like Kolhapur where consumer expectations are unique and region-specific.

VI. CONCLUSION

This study highlights that while fundamental factors such as location, price, and amenities are vital, traditional practices such as Vastu Shastra compliance and environmental factors like air quality play a significant role in the buying decisions of residential apartment consumers in Kolhapur City. Developers should therefore prioritize Vastu-compliant designs, location advantages,

accessibility, and healthy surroundings to attract more buyers. Policymakers could encourage projects that integrate these consumer needs, particularly in small urban centers where cultural factors have a greater influence.

Future research should consider longitudinal studies to track evolving consumer preferences and explore the impact of digital real estate platforms on buyer behaviour.

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