



## **INTERNSHIP REPORT**

**On**

**“Customer Satisfaction of Real Estate Business in  
Bangladesh: A study on Shikdar Real Estate Limited”**

**Prepared For:-**

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Major in Finance

Program: BBA

Date of Submission: 7 September 2014

## Letter of Transmittal

September 7, 2014

Md. Rafiqul Islam  
Professor  
Faculty of Business Administration  
Daffodil International University

**Sub: Submission of the Internship report.**

Dear Sir,

I am submitting my project report titled “**Customer Satisfaction of Real Estate Business in Bangladesh: A study on Shikdar Real Estate Ltd**” I have tried my best to find out the current situation of real estate sector in Bangladesh and its Customer Satisfaction. Please pardon me for any kind of mistake in this report. It was not possible for an individual to complete this report without your motivation and cooperation toward me; I would not be able to complete this report.

I sincerely hope that you will get current scenario of real estate developments and Customers Satisfaction. I have acquired the valuable experiences through this project report under supervision of you. I would like to thank you and the University for giving me the opportunity to do project and for helping me to prepare the report.

If you have any further queries regarding the report, please inform me.

Thank you

Sincerely yours,

---

**Montashir Hossain**  
ID – 111-11-1848  
BBA

## Letter of Acceptance

The report titled “*Customer Satisfaction of Real Estate Business in Bangladesh: A study on Shikdar Real Estate Ltd*” Submitted as partial requirement of BBA program. This report has been prepared by **Montashir Hossain, ID: 111-11-1848**, major in Finance, BBA program at Daffodil International University, under my supervision and guidance. This report is approved and accepted in quality from.

I wish him every success in life.

Best regards,

---

**Md. Rafiqul Islam**

Professor

Faculty of Business Administration

Daffodil International University

## Student Declaration

Actually, this report is submitted as a fulfillment of the requirement of Bachelor of Business Administration. I am Montashir Hossain hereby declare that the work presented in this report titled “**Customer Satisfaction of Real Estate Business in Bangladesh: A study on Shikdar Real Estate Ltd**” has been carried out by me and has not been previously submitted to any other University, Collage or Organization for any academic qualification, certification, diploma or degree.

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Montashir Hossain

ID: 111-11-1848

BBA

## **Acknowledgement**

First of all I would like to express my deep gratitude to the almighty Allah for fruitfully preparing this internship report.

I express my deep sense of gratitude and heartily respect to Md.Rafiqul Islam, Professor, faculty of business administration of Daffodil International University, for all valuable suggestions and instructions completing this report. I would also like to convey my gratitude to all the members who directly or indirectly has helped me to prepare this report.

I express my personal gratitude to my Boss Habibur Rahman for helping me with the valuable suggestion about the source of information and other key issues to prepare this report.

## **Abstract**

Food, Clothing, Residence, Health Care and Education are considered the prime need to survive in this planet. In Bangladesh housing do not get the priority as the other fundamental need got. Dhaka city 2% to 3% people live in flat which is made by the real estate company. Housing contribution in Bangladesh economy is not in satisfactory level. In Bangladesh housing is contribution only 0.18% to 0.21% percent of the total GDP and growth rate of housing is very slow where in our neighbor country housing contribution 5% of their total GDP.

Bangladesh is one of the most densely populated countries of the world. With regard to area, it is the 139<sup>th</sup> smallest country of the world, but it is eighth most populated country of the world. According to the United Nations' report of the World Population Prospectus in the year 2050, the population of Bangladesh will be about 254 million and also will be considered as the seventh crowded populated country of the world. So, population is increasing tremendously although land is fixed. It is not feasible to expand the accommodation of the people horizontally but is possible to expand vertically. The role of real estate companies is very much important to manage this. But it is a matter of regret that though real estate companies are doing their business in urban areas, they are not interested to expand their business in rural areas as they face some difficulties there.

In Bangladesh 23% of the real estate houses are build for the very reach people who have more then one houses in different location in Dhaka where 30% people live in slum and some of the people have no house they sleep in road side. When the developer make the accommodation facility for the law income people the price those flats become 15 laves which is difficult for some law income people to purchase. Sales of flats different real estate companies are not stable, in 2001

average sales was 54000 square feet but in 2009 it was goes to 38000 square feet because of political situation change.

In Bangladesh the price of flat is increasing sharply. In 2001 average price of flat was 1500 taka but now average price goes to 4000 taka. The main reason of increasing the price of flat is increasing the price of backward linkage product. About 21 sub-industrial and services sectors work as supplier of the real estate firm company, among them highest contribution is coming from Steel (29%) industry followed by work force (20%) and cement industry (11%). If the price of steel reduces it will positively effect to reduce the price of flat.

In Bangladesh per square people is nearly 1000 where in Singapore per square people is 6,676 but they have everything in their small place because developer properly use space in there. In Bangladesh lake city concord less then 1 square kilometer where more then 10 thousand people live with all the modern facility. So it is possible in Bangladesh to give the accommodation facility for all the people if we properly utilize our resources.

## **Executive Summary**

Real Estate business in Bangladesh is a recent phenomenon and mainly concentrated in the Dhaka city. As a successful business, Real Estate sector should get extreme care and concern from government. Along with policy, this sector should get adequate support to survive and serve the people. Now days by recent few years Real Estate companies are facing problems to sale their flats and ready flats to handover for reason of high pricing. Customers are avoiding buying a flat rather than wishing to live in a rent house. The price hike of apartments is a major and debatable issue in the Real Estate sector of Bangladesh. The Real Estate developer companies are criticized of charging a lot of money for an apartment. In recent years, apartments price increased due to the unimaginable increase in land price as well as sharp increase in prices of the construction materials. That is why the sale of all type of flats, apartments, and lands decreases. For price hike ready flats are remain unsold and companies are counting huge lose. For high price, general customers are avoiding to buy new flats and apartments. The sales peoples are facing difficulties when bargaining with the customers about price.

This report is comprised of two broad episodes: where episode one expresses on overview of Real Estate sector of Bangladesh; Episode two consists of two parts, one is the organization part and other is the project part. The core focus of this report is the project part. In the organization part mainly the business profile, basic function, business line, product; features of Shikdar Developments Ltd are shown.

The tropic of the project part is Position of Shikdar Developments Ltd. in terms of different Real Estate Companies in Bangladesh



Through this study firstly I have prepared a brief history of Real Estate Trade in Bangladesh then I have tried to shown the Shikdar and other real estate companies position by considering the major market functions of the real estate industry. To do this I had to carry out surveys; is based on the different types of the customer. Because the real estate companies growth, market share, market penetration & retention directly depends on customer's perception.

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# Chapter- One

## Introduction



*Shikdar Real Estate Limited*

# **1. Introduction**

## **1.1 Background of the study**

In the world, without the practical knowledge, theoretical knowledge is valueless. From this point of philosophy, department of marketing of Daffodil International University, has introduced an internship program with a view to achieve practical knowledge associated with the different fields of business. Therefore, after academic education this internship program is great opportunity for me to see the real business world, acquire practical knowledge and to be a smart world business professional. The gained experience will be helpful to finish my BBA program. For this reason I do my internship in Shikdar Real Estate Ltd, Real Estate Company.

I am very much grateful to the authority of Shikdar Real Estate Ltd for giving me the opportunity to complete my internship in this organization under Habibur Rahman ( Managing Director of Shikdar Real Estate Ltd )

## **1.2 Significance of the Study**

As a pre-requisite for complete the Bachelor of Business Administration (BBA) program from Daffodil International University. Knowledge and learning become perfect when it is associated with theory and practice. Theoretical knowledge gets its perfection with practical application.

### **1.3 Importance of the Study**

Human being has always been in search of new and better homes. Thus cities, towns and villages grew, flourished and wither away. In the process, societies forever demand and produce all kinds of goods and services, through, never satisfied, we ask for things more different. Real estate visibly shapes the way people live, work and innovates and therefore most strongly defines culture and civilization.

Today Real state is recognized the world over as the main engine that runs the economy, creating work not only for masons and managers, accountants and architects, but also for makers and sellers of building materials. It means work for maintenances, security cleaning and other services; work for makers and sellers of appliances, furniture and vehicles; work for bankers and bureaucrats, lenders and lawyers.

Purpose of this study is to locate and justify the current brand image of Shikdar Developments, which has been established through its' superior products and customer services, in contrast with the other leading real estate companies in Bangladesh.

### **1.4 Objectives of the Study**

- ✚ Overall Scenario of Real Estate Marketing in Bangladesh and the market.
- ✚ Marketing of Shikdar Developments Ltd in the same industry.
- ✚ Level of customer satisfaction and their attitude toward the company under study.
- ✚ To identify problems related to marketing activities of Shikdar Real Estate Limited.
- ✚ To make some recommendations to solve the problems.

## **1.5 Methodology of the Study**

### **Sampling plan**

- **Population**

Officer and Clients of Shikdar Real Estate Limited.

- **Sample Size**

The sampling size was 50 Clients 5 officers.

- **Sampling Method**

Non-probability convenience sampling procedure has used in the survey.

### **Sources of Data**

#### **1.1 Primary data sources and Collection Method**

- Interview with the Customers and Officers.

#### **1.2 Secondary data sources**

- Relevant papers and different books and publications
- Official website
- Annual report of Shikdar Real Estate Limited
- Brochures of Shikdar Real Estate Limited

## 1.6 Limitation of the Study

I faced some limitation in conducting the report. These are:

At the time of preparing this report, we have encountered several problems or limitations, such as-

- Due to the shortage of time, I could not get in depth knowledge of the Real Estate sector in Bangladesh and implementation practices in the company in the period for which I assigned to work, as a marketer was very short.

- The employees of the company are always busy, so they could not provide all information timely.

- Lack of structured information, which is the main problem I have faced.

- Lack of practical skills and so forth.

- Lack of finance support like home loan for lower and middle class peoples.

- Sometimes SRL is unable to secure electricity and gas connection for Govt. Restriction.

Electricity and Gas is essential need for man to live in urban. For that they can't sale their Flat.



# Chapter: Two



## Organization part -

About

*Shikdar Real Estate Limited*

## **2. History**

### **2.1 Shikdar Developments Limited**

Bangladesh has come a long way since its independence. It has improved key social indicators and the well being of its people. The Shikdar Developments Ltd has been an integral part of this progress. SHIKDAR DEVELOPMENTS LTD philosophy is simple: To improve living standards.

As a result of this philosophy, SHIKDAR DEVELOPMENTS LTD is today Bangladesh's largest residential real estate company. We are dedicated to providing customers of real estate with the highest quality services possible. The SHIKDAR DEVELOPMENTS LTD System is actively increasing its presence and market share in the Bangladesh and bringing the most recognized name brand in real estate sector. SHIKDAR DEVELOPMENTS LTD fully support the principles of the Fair Housing Act. When buyers think about real estate, they think of the SHIKDAR DEVELOPMENTS LTD brand. In fact, the SHIKDAR DEVELOPMENTS LTD Brand is the most recognized name in real estate sector. SHIKDAR DEVELOPMENTS LTD the largest private sector business conglomerate of Savar started its journey back in 11th day of November 2008. With a record of the highest growth rate in the history of Bangladesh Real Estate Industry, SHIKDAR DEVELOPMENTS LTD has maintained its leadership position with consistent growth over the years. The company maintained its growth performance even when the industry experienced a decline in market growth.

## **2.2 The Profile**

<b>Corporate Office</b>	B 116/1 Shobanbag, Savar, Dhaka
<b>Office Of Management Services</b>	B 116/1 Shobanbag, Savar, Dhaka
<b>Office Of Project Planning</b>	40/5North Avenue Gulshan, Dhaka-1212
<b>Year of Establishment</b>	2008
<b>Product Line</b>	Apartment & Land
<b>Turnover in Taka in 2011</b>	2.5 Core
<b>Number of Employee</b>	50
<b>Market segment</b>	- High Class - Higher middle class

## **2.3 Mission**

Shikdar Real Estate aims to become one of the leading real estate in Bangladesh by prudence, flair and quality of operations in the real estate sector. The real estate has some mission to achieve the organization goals time to time. Some of them are mentioned in following-

- Providing high quality apartment with the help of the latest technologies
- Providing fast and accurate customer service
- Balancing growth strategy
- Setting high standard in business ethics
- Ensuring steady return on shareholders' equity
- Innovating real estate at a competitive price
- Declaring deep commitment to the society and growth of national economy
- Attracting and retaining quality human resource

## **2.4 Vision**

It is important for managers and executives in any organization to agree upon the basic vision that the projects strives of achieve in the long term. Shikdar Real Estate has established their vision statement to achieve their long-term Objectives. Their vision is to be a premier real estate developers in Bangladesh and contribute significantly to the national economy.

## **2.5 Values and Standards**

In all activities the Shikdar's stressed on:

- High standards of customer services and care.
- A commitment to aid in all human development process.
- Providing opportunities for personal development.
- Respect each other as individual and encourage teamwork.
- Make good relationship with suppliers and others supplement partners.
- Conducting business with confirming ethics.

## **2.6 Company Objectives:**

The main mission of Shikdar Real Estate Ltd is to be the market leader in the market of real estate sector in Bangladesh. The company has a clear set of objectives that will help to achieve its main business mission, which is “ Effective participation in economic & social development and activities”. To attain its goals the company outline two major objectives, which are-

### **Business Objectives:**

- Participation to solve unemployment problem.
- Motivating customers to purchase quality products.
- Business diversification.
- Improving profits to have greater business strength.
- Considering each and every unit of the company as a family.
- Increasing market share.

### **Marketing Objectives:**

- Increasing the sale.
- Providing maximum services and after sales services to the customers.
- Keeping up-to-date information about competitors activities.
- Reducing the expenses.
- Cultivating new customers.

## **2.7 SHIKDAR Developments LTD key success factor**

An organization is as good as its human resources. Based on this very basic fundamental philosophy, SHIKDAR DEVELOPMENTS LTD believes that human beings are its most valuable assets and prime movers. SHIKDAR DEVELOPMENTS LTD also believes that the potential of human resources is limited only to the extent to what one can put to use. Realizing this SHIKDAR DEVELOPMENTS LTD makes considerable investments in attracting and developing talent and dynamic professionals, not only to do their job flawlessly, but also to give them an environment, which fosters innovation and entrepreneurship. The extent of empowerment that is enjoyed by our people at various levels of the organization enables each employee, from the very bottom to the top, to contribute to the overall momentum of the company. The employees of Shikdar Developments Ltd. are differentiated not just on the strength of their professional competence, but also on the basis of individual resilience of character and the spirit of enterprise.

In the face of today's competitive business environment at Savar, SHIKDAR DEVELOPMENTS LTD develops and retains high and a motivated workforce. We create an excellent working environment for them that reflect and promote a high level of loyalty and commitment, both to our employees and from our employees. At SHIKDAR DEVELOPMENTS LTD, good work is always expected and rewarded. Over the years, the company has been successful in providing an environment and culture that nurtures individual growth and development, and allows people to attain personal fulfillment as well as achieve company objectives. It is our competent workforce that provides us with every reason to be optimistic about the future.

## **Committed to making a difference**

Shikdar Developments Ltd. is committed to provide to the living standards of the people. This commitments demands immense social responsibility of ensuring quality in terms quantity, purity, stability, safety, efficacy and presentation of the product. At every stage of the production, a stringent control mechanism involving raw material testing, in-process quality control, finished product testing as well as stability monitoring and documentation is maintained to ensure the highest quality product consistently.

## **Training & Development : Investment for future:**

The ever-changing market place has fuelled SHIKDAR DEVELOPMENTS LTD's determination to keep up with the changing times by constantly strengthening the information base, exploring new lines of business and expanding domestic. This prompted the company to undertake infrastructure development to build competitive advantage in order to retain its position as a leading real estate company. SHIKDAR DEVELOPMENTS LTD is committed to developing individual's human, technical and conceptual skills through various educational and a wide range of internal and external human resource development and job related training programs each and every year.

At SHIKDAR DEVELOPMENTS LTD, is well-planned and structurally designed in- house training activity-involving sales, marketing and production etc. is conducted throughout the calendar year. These training programs are conducted by in-house resource persons on a regular basis and as per scheduled. SHIKDAR DEVELOPMENTS LTD employees also received training from Rapport Bangladesh Limited and Tack training international on the following topics:

- ✚ Time Management
- ✚ Customer care
- ✚ Customer relationship management
- ✚ Leadership
- ✚ Team building and leadership

## **Exclusive Buyer Service**

- ✚ Consult with you to determine your particular real estate wants and needs. This includes providing information as to the advantages and disadvantages of the choices available to you, in order to help you make informed decisions.
- ✚ Maintain your confidentiality and represent your best interests throughout your buying process.
- ✚ Help you define your financial ability to purchase, explain alternative methods of purchasing and financing, and assist in arranging mortgage financing.
- ✚ Provide an action plan for locating the right property, at the right price and terms, in an acceptable time frame.
- ✚ Search using available methods to locate the property that will best meet your needs and wants. This may include properties listed with our office, offered through other real estate companies, as well as unlisted properties.
- ✚ Show properties that meet your specifications, in accordance with Fair Housing Regulations and ethical real estate practices.
- ✚ Disclose material facts known about the property, and other relevant information that is likely to affect your ability to obtain the right price and terms.
- ✚ Assist you in evaluating the market value of properties that are of interest to you, and suggest negotiating strategies to help you obtain the most advantageous price and terms.
- ✚ As your advocate, advise and assist you in completing your purchase agreement, and present your offer in a light most favorable to you.
- ✚ Refer you to other professionals (attorneys, accountants, inspectors, mortgage lenders, etc.) for information or assistance as appropriate.



- ✚ Upon acceptance of an offer between you and the seller, monitor all pre-settlement (escrow) activities throughout the closing process as permitted by law or local practice.
- ✚ Consult and communicate with you on a regular basis throughout your entire real estate purchase process.
- ✚ Recommend home warranty to protect you.

## **Customer Service**

Huge amounts of money are on the line when people buy real estate and houses. Buyers and sellers need to trust real estate agents, and customer service is the key to generating trust and sales in real estate. "Service is king, and it can make or break a company. "Nothing beats knowledge, experience, problem solving and responsiveness. Combining that with good manners usually wins a customer for life. It is one thing to talk about excellent customer service, but it is another to demand it and maintain it as a key element of an organization's culture. The first reaction to customer complaint is a negative one. No matter how much you've tried, some of them will not be satisfied. But you should try and see customer complaints in a positive light. Complaining clients are clients who care about getting better service. They want to keep working with you. Therefore, instead of seeing comply as a blow to your business, try and see them as valuable feedback.

## **2.8 How SHIKDAR DEVELOPMENTS LTD Satisfy their Customers**

Keeping customer satisfied is key to success and it doesn't matter if are selling products or services to external or internal customers. For improve customer satisfaction company perform the following ten activities.

### **Understanding**

Make sure there is a thorough understanding of what customers really want. Use that information to follow up with actions and solutions.

### **Access**

People want an ease of doing business SHIKDAR DEVELOPMENTS LTD offer multiple communication methods (phone, web, or call centre) and make sure the experience is speedy, efficient, and pleasant.

### **Respect**

Customers want someone who understands and can respond to their needs. SHIKDAR DEVELOPMENTS LTD always acknowledge customers and treat them with respect to earn their trust and their business.

### **Personalize**

People like to feel special. Sending specific, personalized messages will help eliminate some customer's feeling of insignificance, help connect with those people, and help form a bond with them.

### **Streamline**

Offer processes that are streamlined and automated, but also have available guidance or confirmation at the end of the automated process to ensure that the customers issues, orders, etc., have been resolved or fulfilled. Always have an option to escalate issues to a customer service Department.

### **Track Information**

Create a knowledge base so customers do not have to repeatedly give their contact, product, or problem details.

### **Target**

Use data to be proactive, but also use it for a targeted purpose. Do not try to sell the same widget or service to your entire customer base. Approach only those customers who are most likely to be interested.

### **Empower**

Empower customer service department to resolve problems on the spot, including offering discounts or special services to retain customers who might otherwise head to a competitor.

### **Easy Doing Business**

Find ways to make it so easy for customers to do business with you that switching to a competitor would be work for the customer.

### **Interpret Need**

Note the difference between what customers say and do (customers say they want free information so that everyone benefits.

## 2.9 SWOT Analysis of Shikdar Real Estate Ltd

### Strengths

- Experienced management and large number of projects around the Bangladesh
- Quality products and services
- Company reputation and goodwill
- Large number of Branches all over the country
- Expanding market, expanding sales & profitability
- A healthy industry sector with quality business
- Good purchasing power of target customers group
- Government keen interest to solve housing problem with the rapid increase of urban population
- Open market economy, recent housing policy etc. May favour sustainable growth of housing industry
- Dependency of the major companies in the market

### Weakness

- Lack of adequate marketing (advertising and promotion) effort
- Lack of full scale automation
- Lack of training facilities for the employees
- The industry as a whole does not follow any standard business rules, therefore there remains uncertainty practices by some of the developers
- Strong competition among the existing players of the industry

### Opportunities

- Regulatory environment favouring private sector development
- Value addition in products and services
- Increasing trend in international business
- Increasing the population of Bangladesh
- A very wide scope is prevailing for foreign investor also

## **Threats**

- Frequent changes of inhabitation rule of Bangladesh Government or RAJUK

- Market pressure for lowering of leading rate
- National and global political unrest
- Lack of land of Bangladesh
- Political instability
- Bureaucratic complexity imposed by RAJUK, WASA, DESA etc.

## Chapter- Three



### Real Estate Sector in Bangladesh: An Overview

### **3. Overview**

#### **3.1 Industry overview**

Dhaka City, born during the Moghul Empire and grown with the British rule, is expanding rapidly. From the beginning of the 20th Century its growth and latter development is marked with sheer lack of proper and far-reaching planning. The impact is now being felt at the end of the century. Dhaka City is undergoing terrific growth phase throughout the last two decades. While there are so many real estate developers in the market, there are also very few of them who have maintained the quality, safety and customer preference. It is customary in the country that the first day quality and impression is lost after a while when people start getting a bit of familiarity. This happens due mainly to lack of professionalism. Sometimes the consumers here are in a fix to choose a particular brand out of many.

A good number of real estate companies are working under one umbrella association named 'Real Estate and Housing Association of Bangladesh' (REHAB). Almost 361 Companies are at present affiliated with this association, while more than 400 companies are working independently. BTI took a leading role in the formation of the industry association and is one of the founder members of the REHAB.

#### **3.2 Reasons for development of the industry**

- The main reasons why real estate business developed in Dhaka city are as follows:
- Scarcity of open space in the important areas of the city.
- Hazards of construction of building.
- Hazards of purchasing land.
- Rapid increase in population of Dhaka.
- Decrease in the rate of bank interest.

- Price of land and apartments is increasing day by day.
- Rent of the apartments is comparatively higher than the rent of privately constructed flats.
- Open Market Economy. Remittance of foreign is very easy.
- Security.
- Service facilities such as garbage disposal, central satellite TV connection, apartments services save time, roof top facilities, lift and so on.

### **3.3 Size and Contribution of the Real Estate Sector**

The size of the real estate sector and its contribution to the economy in terms of employment generation, accrual of investment, contribution to exchequer, output trends and linkage contribution of this sector are stated below:

#### **i) Employment Generation**

The real estate sector at present employs about one million people, either directly or indirectly involved about 30 lac people in the sector. According to the Labor Force Survey (LFS), in 2006 5.5% of the labor force was engaged in construction where as for 1999-2000 it was 2.1% and 1995-96 it was 1.8%.

#### **ii) Investment**

Recent information concerning investment in the housing sector shows steady growth both absolute terms and as a percentage of total private investment and GDP. During the first three years of the fifth Five Year Plan period, the investment in housing and construction was US\$ 1273.65 million. According to this trend till 2007 the investment in housing & real estate sector will be more than \$USD 2500 million (CPD).



### **iii) Contribution to Exchequer**

The keynote paper indicated that the contribution of the real estate sector to the exchequer is a substantial one. Various revenues like VAT, registration fees, utility connection fees etc. generated in the real estate sector amount to about Taka 36 core per year. Regarding payment of corporate income tax of the real estate companies no ready information was available.

### **IV) Output Trend**

During the peak years of the early 1990s, over 3,000 apartment units were built by developers every year. Today around 10,000 units are built, but recent time this trend has declined due to delayed delivery of apartments by an average of six months, economic downslide, global recession, and the poor law and order situation.

### **3.4 Housing scope of definition**

The definition of housing should not be limited to shelter or living space. Though in general terms housing is meant for shelter, in an academic sense housing entails house of many kinds comprising educational institutions, recreational centers, shopping centers, and many others. We don't only sleep, we need housing, school, hospital, shoppes and many such things. With such a narrow focus on housing that deal with only residential use at some point we may find that illegal shoppes, schools or collages have taken over the sides of the highways.

### **3.5 Rules- Inadequate and often violated**

Legal and regulatory aspects of housing developments are inadequate and developers are violating the stipulated set rules of RAJUK by not leaving undeveloped spaces as stated in the set rules.

RAJUK officials in many cases illegally give permission for building of houses in exchange of bribes. Unlimited use of land by a small number of people taking advantage of remittance flows or inheritance is not desirable and therefore should be restricted with the help of legal and regulatory measures.

### **3.6 Partnership and Participation Required**

If real estate developers build apartments in residential areas, they should ensure necessary environmental support as well. Clinics, school and NGO offices are being housed in apartments developed by the real estate developers. As a result, people residing in those areas are facing many problems.

### **3.7 Tendency in Architecture**

The type of apartments being developed resembles a form of box architecture. In current design practice basically a box is made first within which 3 or 4 flats are designed with an outward masking of good elevation and façade treatment where improvement of space articulation and gaming with volume of space is absent. Housing is not just a means of providing square feet of floor space. Rather, a system which is more inclusive of other aspects should be practiced. The small children that live in those boxes do not have any recreational facilities. They are seen playing football on computer screens instead of playing in the green spaces.

### **3.8 Construction quality**

This includes materials used for construction, roof design, column design etc. as the buyers are becoming sophisticated day by day this variable becomes important to the developers at the time of pricing.

### **3.9 Land owner's share**

Nowadays most of the apartments are developed by various real estate firms in the form of joint venture. In this venture land owners and developers share total number of flats in a **particular** apartment. In the most of the cases the ratio of sharing flats is 40:60. In case of lucrative areas this ratio is often 50:50. Besides these landowners also demands a certain amount of cash benefit for staying away from their own home at the time of construction.

### **3.10 Pricing of car parking**

Car parking is fully independent with the overall price of any apartment. It is priced as per the current market price. Nowadays it ranges from 3 to 5 lakh. Any apartment holder wishing to purchase more than one car parking space has to pay a higher amount than the normal range. It varies according to the variation of area.

### **3.11 Pricing decision & payment methods**

#### **Fixed price concept:**

To overall all kinds of embarrassing situation between the company and purchaser Shikdar Real Estate Ltd follow the fixed price concept. For a certain period, the price is fixed. It may change after a period depending on the cost of construction and land value. As per price schedule, there are some options of discount based on down payment.

### 3.12 Mode of payment

- a) **One time:** Buyer can pay the price in one time. If he/ she pays the price in one time, he/ she will get discount.
  
- b) **Installment:** In case of installment, buyer will get the remaining month of project hand over. After booking, he will pay the initial deposit within seven days. Then he/ she will bind to pay the remaining amount on the EMI (Equal monthly installment) base.

# Chapter- Four

## Findings, Recommendation & Conclusion



*Shikdar Real Estate Limited*

## **Findings**

To prepare this report I find some problems that are obstacle for Shikdar Real Estate Limited future growth. The problems are shortly described:

1. SRL charged higher price: Real estate companies selling price varying in same location of Savar.
2. Shikdar Real Estate Limited comparably charge higher price than leading real estate companies. Last few years middle class buyer increase in Savar. Middle class buyers are high price sensitive though they buy their apartments from new companies who charge low price to capture the market. Thus the SRL can't capture the large part of the middle class group.
3. Shikdar Real Estate Limited handover the project in delayed: Last few years SRL can't complete their projects in due time. One of the main reasons for delay the projects are SRL has a large project in savar. Thus SRL can't cope with projects time schedule. On the opposite side leading companies has not such type of large ongoing projects thus they main the schedule properly.
4. Shikdar Real Estate Limited yearly sales volume is declining: Last 3 years sales quantity analyze we see that SRL's yearly sales volume decline. On the other side most of the leading real estate companies yearly sales volume increase.
5. Construction raw material costs: Price of the basic raw material for building development steel, rod, and cement is increasing condition though demand is increasing. With the rapid urbanization and increase in real estate business, price and demand for basic building construction materials such as rod, cement and steel are increasing. According to REHAB, there has been average increase 150%-400% in overall prices of building construction materials in 2000 from 2010. The building development cost

increased but the profit can't maximize with same manner. Shikdar Real Estate Limited maintain large employees, big office, advertisement cost and other corporate social responsibility thus proportion of profit declining last year.

6. Jointly project development: Last 20 years land price increase 625% in Savar area. As result Shikdar Real Estate Limited jointly develop the projects with land owners. In jointly projects, SRL provide a huge amount of signing money to the land owner. It causes the high price of the apartments and declines the profit margin.
7. SRL develops the project only prime location: SRL works mainly prime location like Savar area in Dhaka district. But become the market leader SRL necessitate to work in all area in Savar.

## **Recommendation**

Due to short time to know the market aspect of a company it is too difficult to recommended something to the company. I had tried my best to analyze the company's market image and position on the basis of my survey results. So from my own experience I may suggest the following recommendations for sound and successful market operation of the company:

- ✚ The company executives should be more caring to the customer's opinions.
- ✚ The SRL should give more advertisement in different media like Radio, TV, Newspaper and Magazine. The company should use all promotional tools to increase the sales and brand image.
- ✚ Lower-middle and lower income people mostly live in Dhaka city, so SRL should concentrate according their income level.
- ✚ Shikdar Real EstateLtd should improve construction quality design.
- ✚ The company should establish sound and effective communication channels with internal customer through electronic mail.
- ✚ Decentralized authority to prompt communication and decision.
- ✚ The company should establish franchises in different location for prompt customer Care.
- ✚ Website is needed for the convenience of the customers.
- ✚ Should provide employee training.



- ✚ Should establish incentives for frequent and repaid feedback on performance.
- ✚ Should use appropriate technology to more jobs easier, more productive, less redundant & repetitive.
- ✚ Provide the information about their service to the client is important. So they should provide update information about any service or chaining policy.
- ✚ Employees/ officers have to properly maintain their important things such as file, papers, documents etc.
- ✚ Shikdar Real Estate Ltd should be avoiding the delay in service.
- ✚ Shikdar Real Estate Ltd should concentrate on fast handover of their project.

## **Conclusion**

In Real Estate business is very profitable. This business is increasing day by day. Although apartment living is a recent social phenomena people are developing favorable attitudes towards apartments living which is gaining increasing cultural acceptance and Shikdar Real Estate Ltd playing an apartment role in this emerging situation by providing better service at reasonable price.

The present study exposes certain features of apartment marketing on the city. These are:

1. The present market for apartments house is still limited among the higher income people.
2. Apartment houses are being built in the central areas of the city.
3. Quality of the apartments of Shikdar Real Estate Ltd is satisfactory. But the price in not satisfactory.

Although apartment buildings are contributing in solving the housing needs of the city, an overall evaluation of its present evaluation indicates that

- a. Company must keep up their commitment and give priority to their customer.
- b. Increase in the number of apartment building, companies will also increase competition and gain market by providing better services with affordable and reasonable price.
- c. Government should adopt policies aimed at encouraging apartment projects and protecting the interest of the apartment buyers.

- d. There should be better co-ordination among apartment builders, buyers and financiers for protecting their interests.
- e. Apartment building companies should strengthen their service efforts for gaining better feedback among the people.

By considering the above features, problems and suggestions, Shikdar Real Estate Ltd has successfully established itself as one of the leading Real Estate Developers in Bangladesh.

## Questionnaire

Dear Respondent

I am a student of Daffodil International University want to collect information on your insights and opinions on the status of Shikdar Real Estate Ltd as per requirement of my internship report. I will appreciate your valuable time and support in answering the questions. All the information collected will keep strictly confidential and shall use for report purpose.

Name :.....

Age :.....

Occupation :.....

1. Which factors you prefer most to take decision to purchase a flat?

Brand Name

Price

Construction quality

Location

2. Why do you prefer Shikdar Real Estate Ltd apartments?

Quality

Brand Name

Reliability

Price

3. Mention the product you prefer in Shikdar Real Estate Ltd better than other companies do in the same price range.

Flat

Shop

Commercial space

4. Which factor motivates you to purchase a flat?

To avoid the troubles involve in building a house

To live in the centre of the city

To live with same class people of the society

Others

5. To you the price of Shikdar Real Estate Ltd flat is-

Higher price

Reasonable

Not higher in consider of quality

6. Which size flat you have or would you like to buy?

850-1000 sqf

1050-1400 sqf

1500-1700 sqf

1800-3000 sqf

7. What range of budget you have to buy a flat?

50 to 60 lacs

80 to 1 crore

More than 1 crore

8. Are you satisfied with the overall performance of Shikdar Real Estate Ltd including handover time?

Extremely satisfied

Satisfied

Moderate

Dissatisfied

9. For what reason you bargain most with the sales people?

Quality

Price

Others

10. Will you prefer Shikdar Real Estate Ltd flat to buy for the next time

Yes

No

If you have any annotations about Shikdar Real Estate Ltd product please mention-

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Thanks for sharing your valuable time and view with me.

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