

WHO ARE THE POTENTIAL CUSTOMERS OF REAL-ESTATE BUSINESS IN ETHIOPIA?

Dakito Alemu

Head, Accounting & Finance Program Unit, School of Commerce, CoBE, Addis Ababa University, Nigeria

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ABSTRACT

Real estate refers to land and everything created for good a region there from, and therefore the nature and extent of one's interest there in. Real estate may be acquired, owned and conveyed (or transferred) by any legal entity as determined and outlined by law. The essential question is who are the prospective customers that can afford and willing to buy houses developed by real-estate business? Thus, the objective of this study was to explore the potential customers for newly established real-estate business in Ethiopia. In order to address the research question under study, data were collected by review of connected literature and documents like proclamations, regulation, directives and plan and procedures were used. The finding shows that, watching the government policy/plan and also the existing real-estate firms market segmentation, for brand spanking new comer to the industry of housing construction/ real-estate it's better to segment their market to deal with the middle income group like associations and members of various clubs, which takes the lion share (50 %) of the entire house demand in the country. On the other hand, since most of the existing real-estate firms in Ethiopia engaged mainly in the residential building construction, for brand spanking new entrant, in top of developing residential building it's also better to think about commercial building.

KEYWORDS: *Customer, Demand, Supply, Housing, Real-Estate Business*