# Constructing prestige and elaborating the 'professional': Elite residential complexes in the National Capital Region, India

## Llerena Guiu Searle

## **Abstract**

The paper explores the question of how certain urban landspaces are produced - is it real estate responding to people's desires or does real estate actually shape people's desires. The author analyzes this question by carrying out an ethnographic study in Gurgaon (2007) and studying various communication channels that the real estate developers opted to convey information to prospective customers. The author argues that the real estate developers relied on metadiscursive notions and essentially created a new class of citizens called the professionals as opposed to the so-called businessmen or the local Delhi people. This new class ensured profitability and indexed demand for developers' assets. She traces out a timeline of real estate's journey in Gurgaon region from the early 1990s to mid 2000s and gives unravels the construction of meta-discursive notions.

# Methodology

The study was largely ethnographic with various interviews being conducted in 2007 with real estate developers, marketers, investors, brokers, informants etc. Searle also analyzed magazine articles (such as RealtyPlus), advertisements, investor presentations, apartment tours, and government census data. Thus, she exhaustively looked at all communication channels that the real estate developers opted for marketing purposes. She points out that some of her informants (upper-class) were biased, as in, they were more tilted towards supporting the upper class sentiments as opposed to the sentiments of the local Delhites.

## The 90s Growth

The growth in Gurgaon started with liberalistaion in early 1990s. With lots of MNCs coming in, the demand for office spaces grew. The government couldn't build infrastructure at the required pace - so they allowed for private investment in urban spaces. To favour this, the Urban Act of 1976 was rolled back, which restricted the amount of land private investors could hold. The JNNURM urban reforms also favoured the developers and spun a chain of private investments. The role of real estate developers before was only to supply building material but now they became central to people and market relations. Public banks hardly provided formal funding to developers in the early 90s - but this changed towards the late 90s. Despite the change in laws, the developers realized that the funding is difficult and turned to foreign investment.

Hence, target of real estate developers now was to attract foreign investment and NRIs. The developers struck joint partnerships with foreign investment banks to build individual projects like tech parks, townships. Some also went public - like getting listed in Bombay Stock Exchange or London Stock exchange. This made investment easier for foreign companies. Additionally, to woo NRIs, developers ran lots of advertisements with words like world class, international standard, security system – to show that our housing is on par with the housing in West.

However, the growth got stagnated. Investors just bought and held the land for sometime - in hope of selling it when the prices go up. The Asian Financial Crisis of 1997 forced NRIs to pull out of the market. Much of the land remained vacant - with no real estate activities. Developers realized that solving the issue of stagnation required **dual addressivity** - they should first ensure market growth with Indian consumers, and then attract foreign investors using these Indian consumers. How did they do that? - They created the figure of a genuine resident, that is, the professional.

#### **Businessmen vs Professionals**

Real estate developers essentially created a new class of citizens called the professionals as opposed to the so-called businessmen or the local Delhi people. The differences broadly boil down to a Gemeinschaft vs Gesellschaft scenario – so the businessmen could be characterized by their traditional beliefs, they are kind of rude, cheap, large families, non-elite, and apparently also indulge in shady black money deals. Whereas the professionals are more into the white collar jobs. They travel a lot, English speaking, small families, DINK - which means the couple is dual income no kid, and they are semi-posh.

We see in marketing discourse that foreign companies are attracted to India by projecting the middle class as their customers, because middle class has aspirations to improve their living standards. However, the same can't be used for real estate investors because there is a belief that middle class doesn't spend much. Professionals, on the other hand, do spend a lot as per their comfort.

Developers advertised trends predicted by NCAER, Ernst and Young. Trends of increasing nuclearization meant that adults are breaking free from their families and there is a need for new housing. The number of households in all income brackets was increasing according to data, which meant people are prone to save and invest in real estate. This attracted investors and made them feel that investing in India is safe. This also put Gurgaon in the global circuit of capital flow.

Reviewer: Suryateja B.V., 160729

Email: suryab@iitk.ac.in

2 Paper Review

A major problem that developers faced was the cultural issues that Indian consumers had. Firstly, they preferred Delhi over Gurgaon. To solve this issue, developers positioned Gurgaon as everything that is not Delhi, as in, no traffic, no dust, no congestion, no pollution etc. Gurgaron also had malls, multiplexes, top MNCs. Also, it is not that far away from major areas of Delhi.

Secondly, Indians preferred buying land and building their own house, instead of buying an already built house. To solve this issue, developers stopped advertising to people with such traditional thought process. They attracted the nuclear, modern generation; and sold a western living with words like - Exotica, County, Laburnum.

#### **Distinction and Exclusion**

The author stresses on how real estate developers not only distanced Gurgaon in terms of aesthetics and infrastructure, but also in terms of society and class. Bourgeois Environmentalism, coined by Amita Baviskar, refers to how upper-class voices its need for aesthetics via proxies like concern for nature. In the context of Gurgaon, it refers to upper-class wanting class-exclusive environments which are free of social pollution. For instance in an image of an advertisement shown in the paper, while Uniworld City advertise a pollution-free Gurgaon as opposed to polluted Delhi, the ad doesn't show the polluted land of Delhi or the lush green Gurgaon. Instead it shows rikshaw walas, shopkeepers etc. The image clearly talks of social pollution. Advertisements also talk of how the complexes in Gurgaon are closer to the offices; plumbers and electricians etc are available within the complex; thus promoting integrated lifestyle communities with social homogeneity. Various other amenities such as 100 per cent power back-up, guaranteed water and piped cooking gas are advertised extensively. By showing these amenities, the developers convey to us that there is no need to go outside the apartment complexes, that is, no chance of **class contamination**. In this way, the developers essentially sold a way-of-living to the professional class.

# **Case Study - Meet the Sharmas**

The author studies an ad of "Sharmas" in a famous newspaper - which contains real-world buyer profiles to let the customers know exactly what type of people invest in real estate. In this case, Rakesh Sharma works as a resident manager of an MNC and Ankita Sharma is an exporter. The story of Sharmas talks of how they are greatly favored by the convenience that Gurgaon offers such as malls, multiplexes, and office spaces in vicinity. Newspaper advertisements also contain excerpts of how people like Sharmas earn profits by investing in real estate. Articles with titles such as - "Small is big - reaping rich rewards with small investments" encourage various nuclear families to invest. Real estate magazines also offer legal and financial advice in easy-to-understand language; for example: mortgage lending, applying for loan. This not only built trust between consumers and real estate developers, but also indexed demand. The ads need not be true or represent any social trend. However, people get convinced and fall into the spiral, and this not only

guarantees demand but also leads to an appreciation in prices of houses.

# Case Study - Meet the Sinhas

This case study discusses the influence of apartment tours as a major player in building discursive notions. Apartment tours reinforce the "professional" status of potential buyers. The Sinhas are constantly reminded of their status. They were told how similar they are to other neighbours living in the apartment - this also shows that the apartment will retain its class or valuation in case the Sinhas want to sell later. The author feels that reminding of the class of a location helps in indexing demand.

# **Critique of Paper**

# Links to Socio-Spatial Theory

We've seen how the land of Gurgaon acquired value via the marketing of real estate developers, which aligns well with what Henry Lefebvre said - "Unlike farm land, urban land acquires value by the collective societal effect". Lefebvre, one of the primary members of the school of socio-spatial theory, talked of how cities across the world appear to develop and shape in a similar way, owing largely to real estate developers and their desires. This is seen for the case of Gurgaon too. Note that government's involvement and foreign investments are some primary components of socio-spatial theory. Indian Government played a role in the development of Gurgaon by allowing private investment in urban spaces. The author also stresses on how international ties, that is, investment from foreign companies and NRIs, impacted the growth of Gurgaon. It is particularly seen in how the developers framed the city and consumers to attract them. We can connect this to the global view of urban sociology, as proposed by David Harvey.

## Relevance of Study

Exploring how such metadiscursive notions are constructed is important - for example, take the case of a tech startup called WeWork, which can be thought of as a mediator between customers and house owners. The reason for its success is how well it sells the millenial story - and how well it taps into the independent freelance worker class. The workspaces contain fancy cups with "Always do what you love" written. The pantry has beer, there are yoga rooms, and weird looking chairs. WeWork also offers a classroom program and the website claims - "A field of super-elliptic objects forms a learning landscape thats dense and rational, yet free and fluid" (https://wegrow.com/schools). While this way of marketing sounds weird, the growth of WeWork shows that such discourse works. The paper sheds light on how such discourse develops and attracts customers.